Exhibit A

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES
	1 8

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
0006	02/14/2014		

6. ISSUED BY CODE HT9402

DEPARTMENT OF DEFENSE
DEFENSE HEALTH AGENCY COD-AB
16401 E CENTRETECH PARKWAY
AURORA CO 80011-9066
MATTHEW ANDERSON 3036763754

7. ADMINISTERED BY *(If other than Item 6)* CODE HT9402

DEPARTMENT OF DEFENSE
DEFENSE HEALTH AGENCY COD-AB
16401 E CENTRETECH PARKWAY
AURORA CO 80011-9066

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*

CODE FACILITY CODE

(x) 9A. AMENDMENT OF SOLICITATION NO.
HT9402-13-R-0001

x 9B. DATED *(SEE ITEM 11)*
06/27/2013

10A. MODIFICATION OF CONTRACT/ORDER NO.

10B. DATED *(SEE ITEM 13)*

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☒ is extended, ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning 2 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return **SEE SECTION L** copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

A. This amendment hereby notifies all offerors within the competitive range that discussions are closed, and requests a final proposal revision (FPR). Offerors shall submit their FPR no later than 12:00PM, Mountain Standard Time, 21 February, 2014, to the Contracting Officer at the address in Block 7 of the SF33. This amendment also revises the agency name to reflect the Defense Health Agency; Block 7, 9, and 11 of the SF33; Section C, DESCRIPTION/SPECIFICATION /STATEMENT OF WORK; Section F, DELIVERIES OR PERFORMANCE; Section I, CONTRACT CLAUSES; Section L, INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS; Section M, EVALUATION FACTORS FOR AWARD; and replace EXHIBIT A.

(SEE CONTINUATION SHEET)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
	Bruce Mitterer 303.676.3812 bruce.mitterer@tma.osd.mil

15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
(Signature of person authorized to sign)		*(Signature of Contracting Officer)*	

NSN 7540-01-152-8070
Previous edition unusable

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243

B. Standard Form 33 is revised as follows:

1) Change block 7 of the SF 33:

FROM: "DEPARTMENT OF DEFENSE
TRICARE MANAGEMENT ACTIVITY COD
16401 E CENTRETECH PARKWAY
AURORA CO 80011-9066"

TO: "DEPARTMENT OF DEFENSE
DEFENSE HEALTH AGENCY COD-AB
16401 E CENTRETECH PARKWAY
AURORA CO 80011-9066"

2) Change block 9 of the SF 33:

FROM: "1200 PM MST local time 10/07/2013"

TO: "12:00 PM MST local time 02/21/2013"

3) Change block 11, table of contents on the Standard Form 33, to mark the box associated with "B SUPPLIES OR SERVICES AND PRICE/COSTS"

C. Section C, DESCRIPTION/SPECIFICATION/STATEMENT OF WORK is revised as follows:

1) Section C, Paragraph C.1.1.:

FROM: "TRICARE is the Department of Defense (DoD) health care program administered by the TRICARE Management Activity (TMA) by means of the Military Health System (MHS) for approximately 9.6 million active duty and retired members of the Uniformed Services (the U.S. Army, the U.S. Navy, the U.S. Air Force, the U.S. Marine Corps, the U. S. Coast Guard, the Commissioned Corps of the Public Health Service and the Commissioned Corps of the National Oceanic and Atmospheric Administration), their spouses and children, including TRICARE for Life beneficiaries entitled to Medicare Part A and Part B based on their age, disability and/or end-stage renal disease. Also eligible are Medal of Honor recipients. The TRICARE Pharmacy Program is authorized under 10 USC 1074g and 32 C.F.R. 199.21."

TO: "TRICARE is the Department of Defense (DoD) health care program administered by the Defense Health Agency, previously the TRICARE Management Activity (TMA) (any reference to "TRICARE Management Activity" or "TMA" hereafter means "Defense Health Agency") by means of the Military Health System (MHS) for approximately 9.6 million active duty and retired members of the Uniformed Services (the U.S. Army, the U.S. Navy, the U.S. Air Force, the U.S. Marine Corps, the U. S. Coast Guard, the Commissioned Corps of the Public Health Service and the Commissioned Corps of the National Oceanic and Atmospheric Administration), their eligible dependents, TRICARE for Life beneficiaries entitled to Medicare Part A and Part B based on their age, disability and/or end-stage renal disease. Also eligible are Medal of Honor recipients. The TRICARE Pharmacy Program is authorized under 10 USC 1074g and 32 C.F.R. 199.21."

2) Section C, Paragraph C.5.2 is revised to update the TRICARE Manuals. A summary of each change can be found on the Publications System Change Submittal page for the respective Manual changes at http://manuals.tricare.osd.mil/:

FROM: "o TRICARE Operations Manual (TOM) 6010.56-M dated February 1, 2008, at change 109
o TRICARE Policy Manual (TPM) 6010.57-M dated February 1, 2008, at change 99
o TRICARE Reimbursement Manual (TRM) 6010.58-M dated February 1, 2008, at change 89
o TRICARE Systems Manual (TSM) 7950.2-M dated February 1, 2008 (except DIACAP guidance in Chapter 1, Section 1.1, P3.4 & 3.5.1-3.5.1.7), at change 54"

TO: "o TRICARE Operations Manual (TOM) 6010.56-M dated February 1, 2008, at change 117
o TRICARE Policy Manual (TPM) 6010.57-M dated February 1, 2008, at change 106
o TRICARE Reimbursement Manual (TRM) 6010.58-M dated February 1, 2008, at change 93
o TRICARE Systems Manual (TSM) 7950.2-M dated February 1, 2008 (except DIACAP guidance in Chapter 1, Section 1.1, P3.4 & 3.5.1-3.5.1.7), at change 56"

3) The following revisions to paragraph C.7.1.13., and subset paragraphs, are made to further refine the requirements for the TRICARE For Life (TFL) pilot program. The quantities in Section B of this RFP are not revised and already reflect the quantities estimated for the TFL pilot. Section C.7.1.13. is revised:

FROM: "The Contractor shall support the mandatory mail pilot at the TMOP point of service as required in NDAA 2013, Section 716. This pilot will end on December 31, 2017 unless extended by Congress. The pilot shall apply to TRICARE For Life (TFL) beneficiaries identified in DEERS when receiving medications identified on the Government's mandatory mail drug list. The drug list includes select maintenance medications. The Government will provide an updated version of the list upon award and quarterly thereafter."

TO: "The Contractor shall support the mandatory mail pilot at the TMOP point of service in accordance with TOM Chapter 18, Section 16. The Contractor shall provide a Summary and Savings Report for this pilot (CDRL M250)."

4) Change paragraph C.7.1.13.1.:

FROM: "Under this pilot, the Contractor shall block prescriptions at retail pharmacies for specified maintenance medications, based on the following criteria:

- Applies only to Medicare-Eligible TFL beneficiaries. DEERS will be the source of record to identify current TFL beneficiaries and to identify new TFL beneficiaries as they meet the age requirement. This block will not be applied to those TFL beneficiaries who have identified other health insurance (OHI) coverage.
- Will be applied based upon a list of specified maintenance medications approved by the Government. Once the approved list of covered drugs is established, it will be modified by the Government, but not more than quarterly.
- Will be applied separately for individual beneficiaries and for each of their covered medications.
    - o Once a block is established, the Contractor will allow for two (2) refills at a retail pharmacy as a courtesy to give beneficiaries time to shift of their prescription to MOP / MTF. Refill quantity will be limited to no more than a 30-day supply each.
    - o Subsequent to these two (2) refills, a retail pharmacy may request and the Contractor will grant override(s) for an emergency refill of a prescription for a covered medication. All mandatory mail medications filled at a retail pharmacy will be subject to a 100% cost share."

TO: "Under this pilot, TRICARE For Life (TFL) beneficiaries may only fill covered maintenance medications at TMOP or an MTF pharmacy. The Contractor will block refills, when dispensed at a retail network pharmacy, unless beneficiaries have received an approved one-time override or waiver from participation in the pilot. All medications covered under this pilot will be limited to a 30-day supply when dispensed at a retail network pharmacy."

5) Change paragraph C.7.1.13.2.:

FROM: "When the Contractor processes a retail pharmacy claim for a beneficiary subject to this pilot, the Contractor will communicate program information to the beneficiary. The Contractor will contact the beneficiary by letter within 7 days after each of the two (2) potential courtesy refills, reminding the beneficiary of their options for obtaining future refills (refills at MTF, MOP or pay 100% cost share at retail), contact information for the Contractor's call center, and circumstances in which the beneficiary may opt-out of the pilot."

TO: "The Contractor shall support exceptions to the mandatory mail policy, which may be authorized for the following situations:

- A personal need, hardship, emergency, or other special circumstance requires use of retail pharmacy, as determined using Contractor-developed, Government-reviewed criteria.
- A TFL beneficiary residing in a nursing home or other long term care facility may request a waiver under the personal need, hardship or other circumstances exception. Communication with the beneficiary, a relative or a caregiver is sufficient to establish residency in a nursing home. The Contractor shall apply the waiver in the patient profile which will allow a universal override for future retail dispensing.
- A medication is temporarily not available through TMOP.
- Prior Authorization has been approved for medication that requires frequent dose titration to achieve therapeutic levels.
- Prior Authorization has been approved for a beneficiary who is unable to have their medication delivered to their home.

The Contractor shall monitor and report the overrides granted under the pilot (CDRL M260)."

6) Change paragraph C.7.1.13.3.:

FROM: "The Contractor shall provide assistance to the beneficiary in transferring the prescription to an MTF or TMOP, based on the beneficiary's direction, as described under C.7.7."

TO: "The Contractor shall support the promotion of retail to mail order conversion assistance and customer service inquiries concerning the pilot, including identifying medications on a beneficiary's profile that are subject to this pilot and processing requested PAs and overrides."

7) Change paragraph C.7.1.13.4.:

FROM: "The Contractor will establish/manage a process allowing beneficiaries to opt-out (i.e. override the block) in the following circumstances:

- After one (1) year, the beneficiary may choose to opt-out of mandatory mail for all covered drugs. The one (1) year period will be measured from the date on which the beneficiary's first prescription for a covered prescription (previously filled at retail) was filled at the MOP.
- A TFL beneficiary who resides in a nursing home may opt-out of mandatory mail for all covered drugs at their discretion. Communication with the beneficiary, a relative or a caregiver is sufficient to establish residency in a nursing home.
- Approval of a Prior Authorization (PA) request for a specific drug based on personal need, hardship, emergency, or other special circumstance. The criteria for this PA will be developed by the Contractor in consultation with the Government."

TO: "The Contractor shall provide assistance to the beneficiary in transferring the prescription to TMOP or an MTF, based on the beneficiary's direction, as described under C.7.7."

8) Change paragraph C.7.1.13.5.:

FROM: "If the Contractor is unable to fill a medication subject to the mandatory mail policy at TMOP, the Contractor shall attempt to transfer the prescription to the retail pharmacy of the beneficiary's choice. The Contractor shall enter a point-of-service override at the time of the transfer to ensure that the prescription will not be rejected at retail."

TO: "When the Contractor processes a retail network pharmacy claim for a beneficiary subject to this pilot, the Contractor will communicate program information to the beneficiary. The Contractor shall send a letter to the beneficiary by the end of the following week after each of the two (2) potential courtesy refills. The letter shall be followed by an email or automated call. The letter shall remind the beneficiary of their options for obtaining future refills (refills at MTF, MOP or pay the full cost of the medication at a retail network pharmacy), provide contact information for the Contractor's call center, and inform the

beneficiary of the circumstances in which they may opt out of the pilot. In addition to the letter, the Contractor shall also attempt a follow-up contact by phone or email."

9) Change paragraph C.7.1.13.6.:

FROM: "The Contractor shall deny payment on any paper claims submitted by TFL beneficiaries for a medication that was subject to a 100% cost share under this pilot."

TO: "The Contractor shall contact a beneficiary via letter explaining the beneficiary's options under the pilot in the following situations:

- The beneficiary has paid the full cost of their covered maintenance medication at a retail network pharmacy; or
- The beneficiary did not receive their medication at a retail pharmacy and did not subsequently contact the Contractor to obtain their prescription order through TMOP."

10) Insert new paragraph C.7.1.13.7.:

INSERT: "After the two courtesy fills, the Contractor shall require beneficiaries to pay the full cost of prescriptions for covered maintenance medications when dispensed at a retail network pharmacy. When a beneficiary opts to pay full price for a covered medication at a retail network pharmacy, it is considered a non-covered service. A record of the dispensing shall be posted to PDTS. The Contractor will not reimburse in-network paper claims submitted by TFL beneficiaries who paid the full cost of a covered medication under this pilot unless otherwise authorized by the COR subsequent to a review."

11) Insert new paragraph C.7.1.13.8.:

INSERT: "The Contractor shall monitor the availability of medications on the mandatory mail drug list at TMOP. If the Contractor is unable to fill a medication subject to the mandatory mail policy at TMOP, the Contractor shall have a process in place to contact the beneficiary to explain options available for filling the prescription, including issuing an override to allow for an additional courtesy fill of the medication at a retail pharmacy, if necessary, and instructions for how to reinitiate mail order service. When a previously unavailable medication becomes available at TMOP, the Contractor shall contact the beneficiary to attempt to recapture the medication at TMOP."

12) Insert new paragraph C.7.1.13.9.:

INSERT: "The Contractor shall provide reporting on beneficiaries who opt out of the pilot (CDRL M270)."

D. Section F, DELIVERIES OR PERFORMANCE is revised as follows:

1) Insert the following into the list of CDRLs at section F.2.4. after "M240 TMDS Claims Volume" :

INSERT: "M250 TFL Pharmacy Pilot Summary and Savings Report
M260 TFL Pharmacy Pilot Override Report
M270 TFL Pharmacy Pilot Opt-Out Report"

E. Section I; CONTRACT CLAUSES is revised as follows:

1) Insert "before the contract expires" in the first sentence, after "30 days", in clause 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000).

2) Insert the following clause:

INSERT: "52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (JUN 2013)
(Reference 32.706)"

F. Section L; INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS is revised as follows:

1) Change paragraph L.3.3.:

FROM: "The estimated date of award will be in February 2014. See Section F.1."

TO: "The estimated date of award will be in May 2014. See Section F.1."

2) Insert the following into the table under paragraph L.6.1., "Volume I", after the sixth bullet:

INSERT: "Minimum network size from C.6.5.1 (L.8.2.1.3)."

3) Change the table under paragraph L.6.4., "Technical Proposal", page limit:

FROM: "70"

TO: "75"

4) Insert new paragraph L.6.7.1. for FPR instructions:

INSERT: "Offerors are required to submit their final proposal revision in accordance with the following instructions:

- Offerors are required to submit the entire completed Volume II, Volume III, and Volume IV of the proposal that contains the revisions made so that the proposal can be read in its totality.

- Offerors must submit a signed SF33 and completed section B in Volume I of their FPR. For the remainder of Volume 1, offeror's may submit only portions of the proposal which have been revised.

- Any revisions made in the FPR must be marked with a change bar.

- With the FPR, Offerors shall submit a "cross matrix", defined in this solicitation as a document which details the revisions made to the offeror's original proposal. The cross matrix will only be used to facilitate the evaluation of the FPR, is not a part of the FPR, will not be evaluated, and is excluded from any page limitations. At a minimum, the cross matrix shall contain a table with the following information:
  a. Section and page of the offeror's original proposal where the revision is made,
  b. The original proposal language of the section which is revised,
  c. The revised proposal language.

- Offerors shall submit their FPR in accordance with section L.6."

5) Change the first sentence of paragraph L.8.1.2:

FROM: "The technical proposal shall not exceed 70 pages inclusive of the exhibits, illustrations, attachments, flow diagrams, data dictionaries, figures, charts, and any other non-narrative inclusion."

TO: "The technical proposal shall not exceed 75 pages inclusive of the exhibits, illustrations, attachments (except the page containing C.6.5.1), flow diagrams, data dictionaries, figures, charts, and any other non-narrative inclusion."

6) Change the number "70" to "75" and change the number "71" to "76" in the last sentence of paragraph L.8.1.2:

7) Delete the fourth sentence in paragraph L.8.2.1.1.1.:

DELETE: "Offerors shall describe its ability to process online coordination of benefits claims and pursue OHI development in accordance with the TOM and TRM."

8) Change paragraph L.8.2.1.3.:

FROM: "Offerors shall offer and guarantee minimum standards for the four network access measurements identified in C.6.5.1. To do so, offerors shall fill in the blanks at C.6.5.1 and include in the technical proposal. In no case may the offeror's guaranteed percentage of beneficiaries within each of the three driving distance be less than 90% (i.e. driving distance of 90% of the beneficiaries). In no case may the offeror's guaranteed network size be less than 50,000 retail pharmacies."

TO: "Offerors shall offer and guarantee minimum standards for the four network access measurements identified in C.6.5.1. To do so, offerors shall return the actual page from the solicitation that contains C.6.5.1 with the blanks in C.6.5.1 filled in with the requested information. This original page shall be included in Volume 1, Executed Offer. A copy of this page shall also be attached to the technical proposal and referenced in the technical proposal. This page is not included in the page count. In no case may the offeror's guaranteed percentage of beneficiaries within each of the three driving distance be less than 90% (i.e. driving distance of 90% of the beneficiaries). In no case may the offeror's guaranteed network size be less than 50,000 retail pharmacies. Further, any information in an offeror's proposal that is contrary to the information required by C.6.5.1. will not be evaluated.

9) Change the number "70" to "75" in section L.8.2.1.3.2.:

10) Change the first sentence of the second paragraph at L.8.2.1.3.2.:

FROM: "Offerors shall describe their strategy and capabilities for developing, implementing, and maintaining the required interfaces."

TO: "Offerors shall describe their strategy and capabilities for developing, implementing, and maintaining the required interfaces with MTFs, DEERS, PDTS, CHDR and TMDS."

11) Change the first sentence of the paragraph at L.8.2.2.3.:

FROM: "Offerors shall provide a solution for replenishment."

TO: "Offerors shall provide a solution for replenishment, to include specialty pharmaceuticals."

12) Delete the following at the end of the first sentence of the paragraph at section L.9.1.3.

DELETE: "in lieu of the maximum 15 page narrative"

13) Delete last sentence of the paragraph at section L.9.1.3.

14) Insert the following sentence after the second sentence at L.9.2.:

"Should an offeror, or a critical subcontractor, not perform prescription processing for any commercial clients, offerors may submit a description of its five (5) largest commercial clients, measured by total number of beneficiaries, for that offeror or its critical subcontractors."

15) Insert the following sentence after the second sentence at L.9.3.:

"Should an offeror, or a critical subcontractor, not perform prescription processing for any federal and/or state Government clients, offerors may submit a description of its five (5) largest federal and/or state Government contracts, measured by total number of beneficiaries, for that offeror or its critical subcontractors."

G. Section M; INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS is revised as follows:

16) Change the first sentence at paragraph M.3.2.2.:

FROM: "The offeror's proposal will be evaluated on its ability to support a scalable approach for processing paper claims, coordination of benefits, non-network claims, batch claims, OHI development, and assignment of benefit claims."

TO: "The offeror's proposal will be evaluated on its ability to support a scalable approach for processing paper claims, electronic claims, coordination of benefits, non-network claims, batch claims, OHI development, and assignment of benefit claims."

H. Exhibit A is removed and replaced with the attached revised Exhibit A.

I. Exhibit L-4, DOD BENEFIT DESIGN is removed and replaced with the attached revised L-4, DOD BENEFIT DESIGN.

J. Exhibit L-8, DRAFT TRICARE FOR LIFE (TFL) MANDATORY MAIL DRUG LIST is removed and replaced with the attached revised L-8, DRAFT TRICARE FOR LIFE (TFL) MANDATORY MAIL DRUG LIST.

K. Exhibit L-10, HISTORICAL DATA AND OTHER INFORMATION AVAILABLE TO OFFERORS is removed and replaced with the attached revised Exhibit L-10, HISTORICAL DATA AND OTHER INFORMATION AVAILABLE TO OFFERORS.

Sections, exhibits, and attachments revised by this amendment are attached. All other terms and conditions remain unchanged.

SOLICITATION, OFFER AND AWARD

1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	RATING	PAGE OF PAGES
	C-9	1 160

2. CONTRACT NUMBER	3. SOLICITATION NUMBER	4. TYPE OF SOLICITATION	5. DATE ISSUED	6. REQUISITION/PURCHASE NUMBER
	HT9402-13-R-0001	☐ SEALED BID (IFB) ☒ NEGOTIATED (RFP)	06/27/2013	

7. ISSUED BY	CODE	8. ADDRESS OFFER TO (If other than Item 7)
DEPARTMENT OF DEFENSE DEFENSE HEALTH AGENCY COD-AB 16401 E CENTRETECH PARKWAY AURORA CO 80011-9066	HT9402	

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and See Section L copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if hand carried, in the depository located in See Section L until 12:00PM MST (Hour) local time 02/21/2014 (Date)

CAUTION: LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME	B. TELEPHONE (NO COLLECT CALLS) AREA CODE	NUMBER	EXT.	C. E-MAIL ADDRESS
	MATTHEW ANDERSON	303	676-3754		matthew.anderson@tma.osd.mil

11. TABLE OF CONTENTS

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OFFER *(Must be fully completed by offeror)*

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT *(See Section I, Clause No. 52.232.8)*	10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)

14. ACKNOWLEDGEMENT OF AMENDMENTS *(The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):*	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER *(Type or print)*

15B. TELEPHONE NUMBER AREA CODE	NUMBER	EXT.	15C. CHECK IF REMITTANCE ADDRESS ☐ IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE	18. OFFER DATE

AWARD *(To be completed by government)*

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION

22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: ☐ 10 U.S.C. 2304 (c) ( ) ☐ 41 U.S.C. 253 (c) ( )	23. SUBMIT INVOICES TO ADDRESS SHOWN IN *(4 copies unless otherwise specified)*	ITEM

24. ADMINISTERED BY *(If other than Item 7)*	CODE	25. PAYMENT WILL BE MADE BY	CODE

26. NAME OF CONTRACTING OFFICER *(Type or print)*	27. UNITED STATES OF AMERICA	28. AWARD DATE
Bruce Mitterer 303.676.3812 bruce.mitterer@tma.osd.mil	*(Signature of Contracting Officer)*	

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

SECTION C
DESCRIPTION / SPECIFICATION / STATEMENT OF WORK

C.1. Program Description

C.1.1. TRICARE is the Department of Defense (DoD) health care program administered by the TRICARE Management Activity (TMA) (any reference to "TRICARE Management Activity" or "TMA" hereafter means "Defense Health Agency") by means of the Military Health System (MHS) for approximately 9.6 million active duty and retired members of the Uniformed Services (the U.S. Army, the U.S. Navy, the U.S. Air Force, the U.S. Marine Corps, the U. S. Coast Guard, the Commissioned Corps of the Public Health Service and the Commissioned Corps of the National Oceanic and Atmospheric Administration), their spouses and children, including TRICARE for Life beneficiaries entitled to Medicare Part A and Part B based on their age, disability and/or end-stage renal disease. Also eligible are Medal of Honor recipients. The TRICARE Pharmacy Program is authorized under 10 USC 1074g and 32 C.F.R. 199.21.

C.1.2. The mission of the MHS is to enhance DoD readiness and national security by providing health support for the full range of military operations. The MHS must be prepared not only to provide a high quality, cost-effective health care benefit to its eligible members during peacetime, but also must be prepared to support the armed forces during exercises, contingencies, operations other than war, and in wartime. The MHS provides quality medical care through: (1) a network of health care providers and pharmacies in the United States and its territories; and (2) direct care Military Treatment Facilities (MTFs) – (hospitals, health and dental clinics) in the United States and overseas. While the number and size of direct care facilities has declined in recent years, it remains important that MTFs are optimized in order to maintain the clinical skills of military clinical staff to support medical readiness. The direct care system cannot fully support the total demand for health care services; therefore, TRICARE uses the direct care system as the main delivery system, and through contracts, augments the direct care system through a civilian network of providers and facilities serving its eligible members.

C.1.3. TRICARE provides a world-class pharmacy benefit to all eligible beneficiaries through the integration of state of the art technologies to enhance patient safety, efficiency, and cost-effectiveness. DoD administers an integrated TRICARE Pharmacy Benefits Program offering pharmacy services through direct care pharmacy services at MTFs located at various military bases, retail network pharmacies, authorized retail non-network pharmacies, or delivery through the TRICARE Home Delivery/Mail Order Pharmacy (TMOP). Retail network pharmacy services are currently available in all 50 states and the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands.

C.1.4. Features of the pharmacy benefits program include the use of the DoD Uniform Formulary, a tiered cost sharing structure, and a preference for generic over branded products. The DoD formulary is managed by the DoD Pharmacy and Therapeutics (P&T) Committee and lists the pharmaceutical agents, by therapeutic classes, that are authorized as basic program benefits. Prescriptions for selected pharmaceutical agents may be subject to prior authorization or utilization review requirements to assure medical necessity, clinical appropriateness and/or cost-effectiveness. DoD has established tiered cost-sharing by which beneficiaries partially defray costs of administering the pharmacy benefits program. Cost-sharing amounts differ based on the classification of a pharmaceutical agent as generic, formulary, or non-formulary, in conjunction with the point of service from which the agent is acquired. The mail order and retail portions of this benefit are open to all eligible TRICARE beneficiaries. Eligible beneficiaries need not enroll in order to use the program(s).

C.1.5. The Contractor will perform pharmacy benefits management functions, including the following: perform claims adjudication, administer a retail pharmacy network, operate TMOP, provide clinical services for specialty pharmaceuticals, process direct member reimbursements for claims filled at retail network and non-network pharmacies, perform clinical reviews and provide beneficiary and pharmacy

support services. The Contractor shall transmit all claim information to the Pharmacy Data Transaction Service (PDTS), the Government's designated data warehouse.

C.1.6. The Contractor will also perform as a fiscal intermediary on behalf of DoD to pay for all authorized pharmaceuticals and supplies dispensed for eligible beneficiaries at retail pharmacies. Government funds, either appropriated or derived from the Medicare-eligible Retiree Health Care Fund, will be used by the Contractor to pay for all TRICARE prescriptions dispensed by network and non-network retail pharmacies. The Contractor will be paid fees at the contracted rate for performing administrative services under the contract. The fees paid to the Contractor will not be related directly or indirectly to the Government's acquisition costs of pharmaceuticals under Section 603 of the Veterans Health Care Act of 1992, or Section 201(a) of the Federal Property and Administrative Services Act of 1949. Upon verification of the patient's eligibility and acceptance of the TRICARE Encounter Data (TED) record, the Contractor will forward payment using Government funds to pay for each TRICARE prescription dispensed at retail network pharmacies. Therefore, the Government will be acquiring covered drugs with Government funds for use by the Government.

C.2. Statement of Objectives

The following objectives identify the desired outcomes of this contract and are supported by the technical requirements in Section C:

1. Provide comprehensive pharmacy benefit management services that are efficient, accurate, cost-effective, and maximize patient safety.

2. Provide comprehensive mail order and specialty pharmacy fulfillment services that are efficient, accurate, cost-effective, and maximize patient safety.

3. Provide comprehensive beneficiary education and services that are efficient, accurate, cost-effective, and maximize patient safety and satisfaction.

4. Provide effective management and quality controls and oversight for all services provided.

C.3. Definitions

Definitions specific to this contract, or not otherwise in Appendix B of the TRICARE Operations Manual, are provided in J-1.

C.4. Government-Furnished Information

C.4.1. The Contractor shall connect to the Defense Enrollment Eligibility Reporting System (DEERS), according to the requirements established in the TRICARE Systems Manual.

C.4.2. The Government will provide licenses for the Contractor to access and use DEERS applications, including but not limited to General Inquiry to DEERS (GIQD), Catastrophic Cap and Deductible Database (CCDD), and Other Health Insurance Standard Insurance Table (OHI/SIT).

C.4.3. The Government will provide quarterly beneficiary address updates, in accordance with the Memorandum of Understanding and Data Use Agreement between TMA and the Defense Manpower Data Center (DMDC).

C.4.4. The Government will provide the Contractor with a Managed Care Pricing File (MCPF), to be used for TMOP replenishment and for adjudicating MTF claims.

C.4.5. The Government will provide a quarterly data file with the names and addresses of newly eligible and newly retired beneficiaries for the Contractor's use in performing the mailings described under C.10.4.1.

C.4.6. The Government will provide a quarterly data file for beneficiary mailings related to formulary changes, described under C.10.4.3.

C.4.7. The Government will provide a monthly beneficiary zip code file identifying the number of beneficiaries residing in each zip code, for evaluating and reporting on compliance with network access standards.

C.4.8. The TMA Beneficiary Education & Support Division (BE&S) will design, develop, and print all beneficiary educational materials, including written materials, briefings, and other methods of publicizing the TRICARE benefit, excluding letters and other communication pieces required under this contract. The Government will provide an electronic portal where printed items can be ordered by the Contractor.

C.4.9. The Government will provide the PDTS Data Dictionary and Data Schema, as described under C.12.4.2.

C.4.10. Before the start of pharmacy services, the Government will provide (via previous contractors) batch files containing all retail, mail and MTF claims along with prior authorization and medical necessity determinations for the past two year period. The Government (via the outgoing contractor) will also provide an OHI data file.

C.5. Requirement Documents

C.5.1. Statutory and Regulatory Authority:

- 10 U.S.C. 1074g
- 32 C.F.R. 199
- 10 U.S.C. 1086
- 38 U.S.C. 8126

When changes are made to the above statutes or regulations, there will be no change to the contract unless implemented by contract modification.

C.5.2. The following documents are hereby incorporated by reference and made a part of Section C:

- TRICARE Operations Manual (TOM) 6010.56-M dated February 1, 2008, at change 117
- TRICARE Policy Manual (TPM) 6010.57-M dated February 1, 2008, at change 106
- TRICARE Reimbursement Manual (TRM) 6010.58-M dated February 1, 2008, at change 93
- TRICARE Systems Manual (TSM) 7950.2-M dated February 1, 2008 (except DIACAP guidance in Chapter 1, Section 1.1, P3.4 & 3.5.1-3.5.1.7), at change 56

In the event of conflict, the TRICARE Policy Manual shall take precedence over the other three TRICARE Manuals. The TRICARE Reimbursement Manual shall take precedence over the TRICARE Systems Manual and the TRICARE Operations Manual. The TRICARE Systems Manual shall take precedence over the TRICARE Operations Manual.

C.6. Pharmacy Benefits Management Services

C.6.1. General Claims Processing

C.6.1.1. The Contractor shall provide mail order pharmacy (including specialty pharmacy) services, a retail pharmacy network, claims adjudication for MTF claims and Pharmacy Benefit Management (PBM) services as specified herein. Unless stated otherwise, claims adjudication includes processes outlined in C.6.1.4 - C.6.1.7 and C.6.1.10, consisting of eligibility check, application of the correct copayment, identification of other health insurance (OHI), benefit design edits, prospective drug utilization review and application of catastrophic cap updates.

C.6.1.2. The Contractor shall accept and process claims submitted by retail network pharmacies, the TMOP, MTF pharmacies, by beneficiaries for direct reimbursement (including non-network), or as batch files from the Department of Veterans Affairs (DVA) or State Medicaid Agencies.

C.6.1.3. The Contractor shall provide 24 hours a day, 7 days a week claims processing for all locations, excluding downtimes for scheduled maintenance. The Contractor's claims processing system shall be available no less than 99.5% of the time. The system is considered to be unavailable when the failure rate for claims exceeds 25% for at least 30 minutes. The Contractor shall schedule maintenance windows to coincide or overlap with DEERS maintenance windows, as described in TSM Chapter 3, Section 1.3. DEERS will attempt to accommodate the Contractor's needs when establishing a maintenance schedule. The Contractor shall provide reporting on system availability performance (Contract Data Requirements List (CDRL M030).

C.6.1.4. The Contractor shall interface with the DEERS to verify eligibility, update the CCDD file, and check for OHI when processing claims for TMOP or retail network pharmacies. The Contractor shall use the applications described in the TOM and TSM.

C.6.1.5. The Contractor shall process claims submitted using either the beneficiary's social security number (SSN) or an alternative government identification number up to 12 digits in length, such as the DoD Benefits Number (DBN). The primary identifier used by the Contractor shall be the DEERS ID, as described in the TSM and the Contractor's system shall link the identifier transmitted by the pharmacy with the DEERS ID. The Contractor shall dynamically link all variations of patient IDs to ensure a single patient-centric perspective.

C.6.1.6. The Contractor shall not authorize payment for a prescription prior to verifying eligibility, except at the direction of the Government. In some cases, the Government may authorize the Contractor to process a set of claims regardless of DEERS eligibility or date of service.

C.6.1.7. The Contractor shall use the beneficiary's catastrophic cap and deductible status to apply the correct copayment and deductible. The Contractor will then update the CCDD file in accordance with the TSM. Catastrophic caps for beneficiaries covered under the Continued Heath Care Benefits Program (CHCBP) shall be maintained in accordance with TOM Chapter 23, Section 3. The Contractor shall provide reporting on the maintenance of CHCBP catastrophic caps (CDRL Q170).

C.6.1.8. During contract phase-in, the Contractor shall provide estimates to DMDC on projected DEERS query volume over the period of performance. Throughout the period of performance, the Contractor shall investigate and revise these estimates as necessary when they differ significantly from actual volumes reported by DEERs. The Contractor shall minimize queries to DEERS for transactions not authorizing payment and as a result of timed-out transactions. The Contractor shall also participate in regular integration testing meetings as directed by the Government throughout the duration of the contract. Daily meetings will occur during integration and transition to biweekly for maintenance.

C.6.1.9. The Contractor's OHI file shall be the system of record. The Contractor's information must be transmitted to DEERS in accordance with TSM Chapter 3, Section 1.4. In the event that OHI records in DEERS are inconsistent with the Contractor's system, the Contractor shall, as part of the claims adjudication process, determine which source is the most reliable. Post-adjudication, the Contractor shall perform reviews to ensure the claim processed correctly and update either system as necessary to maintain consistency. The Contractor shall review its proposed process with the Government during contract phase-in and systems integration.

C.6.1.10. The Contractor shall conduct Prospective Drug Utilization Review (ProDUR) on dispensing transactions submitted by the three points of service: MTF, TMOP, and Retail network pharmacies. As part of the adjudication process, the ProDUR shall evaluate the new prescription against the patient's current drug regimen and return appropriate clinical warnings or administrative alerts. The Contractor shall also perform other real-time edits that may be specific to DoD and fall outside standard commercial practice, including Prescription Restriction Program restrictions and safety reviews established through the Uniform Formulary process. The Contractor shall support ProDUR business rules specific to the point of service.

C.6.1.11. The Contractor shall monitor State of Emergency declarations issued by Federal and State Governments and make timely recommendations to the Government for implementation of "Emergency Refill Too Soon Procedures" for areas placed under a state of emergency. The recommendation will include the designated ending date for the state of emergency. Upon approval by the Government, the Contractor shall have the capability to bypass the refill too soon edit and allow the refill to be processed for areas covered by the state of emergency.

C.6.1.12. Claims for infused and injectable pharmaceutical agents shall be processed in accordance with the TPM, Chapter 8, Section 9.1 and Section 20.1.

C.6.1.13. Copayments shall be charged to beneficiaries in accordance with the TRM, Chapter 2, Addendum B. The Contractor shall not collect any additional fees, rebates, discounts, or premiums specific to processing TRICARE prescriptions other than recoveries (payable to the U.S. Treasury) resulting from audits of network pharmacies. The Contractor shall not negotiate or collect any pharmaceutical rebates, data-use rebates, or vendor charge-backs of any type from pharmaceutical manufacturers, wholesalers, and/or network pharmacies on behalf of the Government or for itself in regard to the services performed under this contract.

C.6.1.14. The Contractor shall maintain a current benefit design document, including formulary restrictions by category. The Contractor's presentation of the benefit design within this document shall remain consistent with the elements of the document initially provided by the Government and shall be in a format agreed to by the Government. The current benefit design document shall be readily accessible for the Government's review. The Contractor shall maintain a current version of the Payer Sheet (CDRL A080) distributed to retail network pharmacies, which shall also be made available to the Government. The combination of the benefit design document, payer sheet, and the interface control document described in C.12 shall provide comprehensive documentation of the Contractor's adjudication system.

C.6.1.15. The Contractor shall dispense prescriptions in accordance with the TRICARE pharmacy program's mandatory generic substitution policy, per 32 CFR 199.21. The Contractor shall not accept Dispense as Written (DAW) 1 codes but may accept other DAW codes when mandated by state law.

C.6.1.16. During the period of performance, the Contractor shall be responsible for processing claims for dates of service prior to the start of pharmacy services under this contract. This includes initial submission of claims; and also any adjustments, corrections, or cancellations necessary for claims previously processed to completion by the outgoing Contractor. If/when the Contractor receives a claim to process that is greater than two years old and the Contractor did not receive relevant information during phase-in; the Contractor will do the necessary research to process the claim. All claims shall be processed according to benefit design and formulary restrictions in effect on the date of service.

C.6.1.17. For compounded medications, the Contractor shall support benefit design edits applied to each individual ingredient in the compound segment of the National Council for Prescription Drug Programs (NCPDP) D.0 transaction standard.

C.6.1.18. The Contractor shall provide the Government with licenses to Medispan and First Data Bank for purposes of calculating the Retail Network Cost Control Incentive.

C.6.1.19. The Contractor shall submit a TED record for all paid claims and clinical reviews conducted under this contract (See C.15.2).

C.6.2. Other Health Insurance

C.6.2.1. The Contractor shall implement processes to maximize the identification of OHI, including but not limited to utilizing commercial services or data sources. When new OHI is identified, the Contractor shall pursue recoupment for past claims and build out the beneficiary's profile for future claims. In all cases where possible OHI is identified, including but not limited to leads provided by the Managed Care Support Contractors (MCSC) or pharmaceutical manufacturers, the Contractor shall investigate and develop OHI records in accordance with TOM, Chapter 23, Section 3, TOM Chapter 10, Section 5, and TRM, Chapter 4. When the Contractor identifies beneficiary OHI through sources other than DEERS (e.g., claim forms, beneficiary declarations, Contractor's internal files), it shall forward the OHI information to DEERS in accordance with the TSM. The Contractor shall provide a reporting to the Government on OHI development (CDRL Q190).

C.6.2.2. A beneficiary with OHI cannot use TMOP, unless the OHI does not cover the prescribed pharmaceutical or the beneficiary has exhausted the benefits under the OHI. To receive TRICARE coverage of pharmaceuticals dispensed through the TMOP, the beneficiary must submit documentation from the OHI to the Contractor showing that the OHI does not cover the prescribed item or an Explanation of Benefits (EOB) indicating that coverage has been exhausted.

C.6.3. Retail Network Claims

C.6.3.1. The Contractor shall accept and process all claims for pharmaceutical agents and diabetic supplies covered under the TRICARE pharmacy benefit, and purchased from a licensed pharmacy in the 50 United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Northern Mariana Islands, American Samoa and Guam.

C.6.3.2. Retail claims for covered drugs will be limited by requirements under 10 U.S.C. 1074g, 32 CFR 199.21, and other applicable regulations. Network pharmacies may submit claims for covered supply items using the National Drug Code (NDC) numbers assigned to them. When access to specific drugs at retail pharmacies is restricted under the law, the Contractor shall facilitate either a change in the beneficiary's current prescription to an approved pharmaceutical or supply, or shift the beneficiary's prescription to TMOP. Covered drugs that are restricted at retail and their respective implementation dates are published at http://pec.ha.osd.mil/pt_minutes.php.

C.6.3.3. Claims received for covered drugs furnished in geographical locations not covered under this contract shall be forwarded to the TRICARE contractor responsible for processing claims for those locations as specified in the TOM, Chapter 8, Section 2.

C.6.3.4. The Contractor shall complete real-time, online Coordination of Benefits (COB) in accordance NCPDP D.0 standards (or most current version) for those claims filled in retail network pharmacies where OHI has been identified, to include Medicare Part D claims. The Government will provide the COB and Medicare Part D billing transaction segments to include the required values. The Contractor is required to track Medicare Part D True Out-Of-Pocket expenses (TROOP) and total drug expenditures for each TRICARE beneficiary who is also enrolled in Medicare Part D. The Contractor shall provide this information to the Centers for Medicare & Medicaid Services (CMS) designated TROOP facilitator. The Contractor shall reimburse claims in accordance with the TRM, Chapter 4.

C.6.3.5. If requested by the beneficiary and allowable under federal and state law, the Contractor may authorize the dispensing of up to a 90-day supply prescription as a single transaction at a retail pharmacy. In these cases, the pharmacy shall collect a copayment for each 30-day increment. The Contractor must make this option available at all retail network pharmacies.

C.6.3.6. Claims for prescriptions filled but not dispensed (non-compliant) shall be reversed within ten (10) calendar days of the date the original claim was submitted. Reversals processed more than ten (10) calendar days after the date the original claim was submitted will require an adjusted or cancelled TED record.

C.6.3.7. The Contractor shall process batch claims in the most current NCPDP batch format. The Contractor may receive batch claims from a variety of sources (e.g., State Medicaid agencies, clearinghouses, DVA) and the Contractor shall process these claims regardless of the electronic media (e.g., CD ROM, tapes) through which they are submitted. All batch claims shall be processed within 14 days of receipt. The Contractor must review historical claims for duplicate claims. Duplicate claims will not be processed.

C.6.4. Paper Claims

The Contractor shall process paper claims also known as direct member reimbursement (DMR) claims in accordance with TOM, Chapter 23, Section 3, Paragraph 1.2 and Chapter 8, Section 1, Paragraph 3.1. This includes the processing of assignment of benefit claims. The Contractor shall accept claims submitted using any of the specified forms. Upon request, the Contractor shall mail the current version of the DD2642 claim form to beneficiaries. Paper claims for non-network pharmacy services shall be reimbursed in accordance with the TRM, Chapter 1, Section 15, minus applicable copayments and deductibles. The Contractor shall process these claims using the most current NCPDP format. The Contractor shall monitor paper claims processing and work with retail network pharmacies to reduce the volume of network paper claims and encourage electronic submission.

C.6.4.1. Claims for beneficiaries who are required by their OHI to use their designated mail order pharmacy are to be processed using network cost shares. Non-network copayments and deductibles are not applicable to these claims.

C.6.4.2. Measured on a monthly basis, paper claims shall meet the following minimum standards:

95% of paper claims shall be processed to completion within 14 calendar days of receipt.
100% of paper claims shall be processed to completion within 28 calendar days of receipt.

The Contractor shall provide reporting on paper claims volumes, processing times, denials and appeals (CDRL Q010 and Q020).

C.6.4.3. For denied paper claims, notification to the beneficiary must be in writing. The notification must explain why the claims were denied and detail the beneficiary's appeal rights.

C.6.4.4. Under the TRICARE benefit, the Contractor shall not process paper claims for prescriptions filled at MTF pharmacies. If necessary, the Contractor may forward the claims to its commercial services section for review as a claim payable by a commercial insurance plan.

C.6.5. Retail Pharmacy Network

C.6.5.1. The Contractor shall establish and maintain a retail pharmacy network throughout the 50 United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and Guam. The Contractor shall provide network retail pharmacy services in American Samoa and the Northern Mariana Islands when they become eligible. The Contractor's retail pharmacy network shall meet the following four minimum access standards (see definitions (Access Standards)TOM, Appendix B):

- Urban: a pharmacy within two (2) miles estimated driving distance of ____% of the beneficiaries.
- Suburban: a pharmacy within five (5) miles estimated driving distance of __% of the beneficiaries.
- Rural: a pharmacy within fifteen (15) miles estimated driving distance of ___% of the beneficiaries.
- No less than _____ retail network pharmacies.

The Contractor shall provide reports identifying retail network pharmacies and the total network size (CDRL M010) and network access relative to the above metrics (CDRL M020).

C.6.5.2. All network pharmacies shall be fully licensed in accordance with applicable Federal and State laws and have a current NCPDP number. Pharmacies providing pharmaceuticals solely through Internet or mail order pharmacies shall not be included in the retail network. Retail pharmacies who offer to mail prescriptions to beneficiaries as part of their business may be included in the network subject to the retail pharmacy specifications listed herein.

C.6.5.3. The Contractor shall support online adjudication for claims received from DVA, Public Health Service (PHS), and Indian Health Service (IHS) pharmacies identified by the Government. The reimbursement amount for pharmaceuticals dispensed through these pharmacies will be directed by the Government, in accordance with agency agreements. These pharmacies will be paid the submitted costs plus a dispensing fee negotiated by the Government. Dispensing fees may be updated annually. These pharmacies shall not be included in performance measurement of network access standards nor in the calculation of the Retail Network Cost Control incentive under H.1.

C.6.5.4. At a minimum, the retail pharmacies shall provide TRICARE beneficiaries the same quality of services provided to beneficiaries of other commercial clients, to the extent allowed by Federal regulation and this contract. The Contractor shall ensure that all pharmacies document the receipt of the medication by the beneficiary or the individual authorized by the beneficiary, in accordance with all applicable State and Federal Laws. The Contractor shall ensure that network pharmacies have procedures to reasonably assess the validity of prescriptions ordered by telephone.

C.6.6. Retail Network Changes

C.6.6.1. The Contractor shall have a plan for communicating to beneficiaries when a pharmacy is removed from the retail network. As part of the plan, the Contractor shall do the following:

- Provide the Government with the names of all pharmacies selected for removal from the network no later than 60 days prior to the effective date of the changes.
- Identify and provide advance notification to beneficiaries who have filled prescriptions at the designated pharmacies during the previous six (6) months. The Contractor shall ensure that the beneficiary receives the letter no later than 30 days prior to the effective date of the change.
- Provide the Government with samples of all beneficiary correspondence related to the change in the network for comment. The Government shall have no less than 14 days to review.

C.6.6.2. Additionally, to ensure continuity of therapy and minimize the impact of network changes on beneficiaries utilizing retail network pharmacies designated as specialty pharmacies by the Contractor, the Contractor shall perform the following steps:

- No later than 60 days prior to the effective date of the change, identify and provide to the Government the number of affected beneficiaries by the following categories: Specialty Medications, Limited Distribution Medications, Hemophilia Medications and Other Non-Specialty.
- Perform outreach by letter, phone and/or other electronic means to beneficiaries utilizing specialty, limited distribution and hemophilia medications, which includes messaging specific to each population.
- Develop an approach to evaluating the effectiveness of the plan in minimizing disruption of therapy among the affected specialty, limited distribution, and hemophilia populations.
- Submit a weekly report to the Government on the actions taken as part of its plan and the effectiveness of these actions (CDRL R010). Reporting shall commence when the Contractor begins its communication efforts and continue for 180 days after the effective date of the change. Reporting may be discontinued sooner if notified by the Government.
- Submit a final weekly report of all beneficiaries from the specialty, limited distribution, or hemophilia populations where there is not a documented continuation of therapy. The report shall describe all efforts made to contact that patient, including dates attempted and contact methods employed. (CDRL R010)
- Make changes to the plan as necessary to ensure successful communication with all beneficiaries and minimize disruption of therapy to specialty, limited distribution, and hemophilia populations.

C.6.7. MTF Claims Adjudication

C.6.7.1. The Contractor shall connect to the DoD MHS electronic medical record, as described in Section C.12.3. The MHS verifies beneficiary eligibility through an interactive check with the DEERS, then forwards the prescription data to the Contractor for ProDUR before filling the prescription. The MTF assumes responsibility for eligibility; therefore, the Contractor will process the claim regardless of eligibility status.

C.6.7.2. The Contractor shall receive dispensing transactions and profile inquiry transactions from all MTFs and MTF pharmacies. Profile inquiries are based on the NCPDP 3.2 variable format, while dispensing transactions are based on NCPDP D.0. The D.0 format used by the MTFs does not include the Coordination of Benefits segment. In addition to a DEA Number or NPI, the Contractor shall accept provider SSN on MTF claims. Formulary edits are not applicable but the Contractor shall perform ProDUR on the inbound dispensing transactions and return the requested data on profile inquiries. The Contractor does not create TEDs for these claims. The Contractor will accept and log all data provided on transactions. All transactions shall be transmitted to the PDTS data warehouse.

C.6.7.3. The Contractor shall support messaging to the MTF and handling of rejected claims to the MTF that varies from that used by the commercial network. All MTF claims are considered dispensed unless reversed by the MTF and must be posted to the profile.

- Validity Rejects: When the Contractor is unable to process a claim due to missing or invalid data, the Contractor will follow the processes outlined in C.11.3.3 to correct and resubmit the claim. For patient safety reasons, all clams must be successfully resubmitted, posted to the patient profile and transmitted to the data warehouse, unless the Contractor is notified by the MTF to allow the reject to stand.

- ProDUR Alerts: The Contractor shall not reject MTF claims for ProDURs but will instead return custom ProDUR alert messaging. The MTF will respond to the alert by either cancelling the prescription or entering an override code. The Contractor will receive a reversal if the prescription is cancelled, but if the MTF enters an override code, no additional message will be sent to the Contractor. MTF claims resulting specific ProDUR Alerts will be included on the Data Integrity Report described in C.11.3.5.

C.6.7.4. If an ingredient cost of a penny ($0.01) is submitted by the MTF, the Contractor will recalculate the ingredient cost primarily using the MCPF supplied by DLA-TS, or using AWP as a secondary source. For claims priced from either the MCPF or AWP, the Contractor shall apply a regional discount established by DLA-TS, based on the NCPDP Pharmacy ID. If the ingredient cost submitted by the MTF is greater than a penny ($0.01), the Contractor shall post the claim and no regional discount is applied.

C.6.8. Benefit Analysis and Trending

The Contractor shall provide analysis, reporting, and benefit design recommendations to allow the Government to provide a comprehensive and cost-effective pharmacy benefit. This will include a report of plan cost by demographic (CDRL M230) and benchmarked to commercial plans (CDRL Q200).

C.7. Mail Order Pharmacy

C.7.1.1. The Contractor shall accept prescription orders at TMOP by written (original or facsimile), electronic (supporting digital signature including e-prescribing), or telephonic submission. The Contractor shall have procedures in place to reasonably assess the validity of prescription orders submitted by telephone or fax. For all medications dispensed through TMOP, the Contractor's tracking and dispensing procedures shall comply with Federal and State law and all applicable state board of pharmacy requirements. The Contractor shall not collect sales tax on prescriptions dispensed by TMOP. For beneficiaries receiving prescription medications through the TMOP, the Contractor shall provide 24 hours a day, 7 days a week access to a pharmacist by phone.

C.7.1.2. TMOP prescription processing and written notification of denied orders shall meet the following minimum standards:

- Mail order prescriptions shall be shipped, returned, or denied within ten (10) days of receipt, date stamped in accordance with TOM Chapter 8, Section 1.
- Prescriptions dispensed from the TMOP shall be accurate 100% of the time, measured monthly.
- In the event the Contractor fails to mail any prescription that did not require clarification or intervention within ten (10) days, the Contractor shall automatically provide next day delivery service at no additional charge to the beneficiary.

C.7.1.3. The Contractor shall provide reporting of mail order volumes, processing times, and accuracy (CDRL Q030). The Contractor shall provide a data file identifying all beneficiaries using the mail order pharmacy over the reporting period (CDRL Q080).

C.7.1.4. For each TMOP prescription received requiring clarification or intervention, the Contractor shall contact the prescriber as appropriate. If the Contractor is unable to obtain a response from a prescriber within two (2) business days, they shall contact the beneficiary telephonically or by electronic means, based on the beneficiary's indicated preferences. The Contractor shall provide order status and request beneficiary direction to either hold the prescription for fill, to cancel, or to transfer the prescription to a retail network pharmacy designated by the beneficiary. The Contractor shall document all calls, and the beneficiary's direction. The Contractor shall not return a prescription without first attempting to contact the beneficiary. For all returned prescriptions, the Contractor must provide written notification to the beneficiary explaining why the prescription was returned.

C.7.1.5. If the beneficiary opts to transfer the prescription to a retail network pharmacy, it shall be processed in accordance with C.6.3. The beneficiary shall have no less than 72 hours to provide a response before the prescription is returned.

C.7.1.6. If the Contractor is unable to fill a prescription because the medication is on national backorder or which has been recalled, the Contractor shall notify the beneficiary at the time of the order. When the medication is back in stock, the Contractor shall contact the beneficiary to request permission to fill the order.

C.7.1.7. TMOP prescriptions dispensed shall adhere to the Government's mandatory generic policy. The Contractor will use best commercial practices to maximize generic substitution, including attempts to convert DAW prescriptions. Upon receipt of a DAW prescription for a brand name product for which a generic equivalent is available, the Contractor shall contact the prescriber to change the prescription to a generic equivalent. If the prescriber refuses to switch, then the prescription shall be processed according to government-approved prior authorization criteria, as described in C.9.1. If the prior authorization is denied, the prescription shall be returned to the beneficiary. If the Contractor cannot contact the prescriber, the Contractor shall call the beneficiary, notify them that their prescription will be returned, and the reason why. For all denied mail order prescriptions, the Contractor must also provide notification to the beneficiary in writing explaining why the order was denied and detailing the beneficiary's appeal rights. At the direction of the Contracting Officer Representative (COR), the Contractor may dispense brand in lieu of generic in instances where the brand is the lowest cost available on the Managed Care Pricing File (MCPF), provided by the Defense Logistics Agency Troop Support (DLA-TS), for replenishment.

C.7.1.8. For beneficiaries not in deployed theatres of operation the Contractor shall provide notification by telephone or other electronic means, based on beneficiary preference, of prescriptions received and placed in a pended status, and the anticipated processing date for each. For beneficiaries in deployed theaters of operation, the Contractor shall dispense medications as indicated in Section C.7.10.

C.7.1.9. The Contractor shall pend prescriptions in lieu of rejecting early submissions and notify the beneficiary that the prescription has been pended with the next possible fill date.

C.7.1.10. The Contractor may offer automatic refills but shall exclude specific drugs from this service as determined by the P&T process.

C.7.1.11. Dispensed ingredients shall be priced on the TED record at the burdened unit price from the MCPF provided by the DLA-TS. See Section C.7.11 for more information.

C.7.1.12. The Contractor shall accommodate all special requirements in regards to handling, processing or shipping medications as recommended by the Food and Drug Administration (FDA) or manufacturer for products dispensed through TMOP.

C.7.1.13. Mandatory Mail Pilot

The Contractor shall support the mandatory mail pilot at the TMOP point of service in accordance with TOM Chapter 18, Section 16. The Contractor shall provide a Summary and Savings Report for this pilot (CDRL M250).

C.7.1.13.1. Under this pilot, TRICARE For Life (TFL) beneficiaries may only fill covered maintenance medications at TMOP or an MTF pharmacy. The Contractor will block refills, when dispensed at a retail network pharmacy, unless beneficiaries have received an approved one-time override or waiver from participation in the pilot. All medications covered under this pilot will be limited to a 30-day supply when dispensed at a retail network pharmacy.

C.7.1.13.2. The Contractor shall support exceptions to the mandatory mail policy, which may be authorized for the following situations:

- A personal need, hardship, emergency, or other special circumstance requires use of retail pharmacy, as determined using Contractor-developed, Government-reviewed criteria.
- A TFL beneficiary residing in a nursing home or other long term care facility may request a waiver under the personal need, hardship or other circumstances exception. Communication with the beneficiary, a relative or a caregiver is sufficient to establish residency in a nursing home. The Contractor shall apply the waiver in the patient profile which will allow a universal override for future retail dispensing.
- A medication is temporarily not available through TMOP.
- Prior Authorization has been approved for medication that requires frequent dose titration to achieve therapeutic levels.
- Prior Authorization has been approved for a beneficiary who is unable to have their medication delivered to their home.

The Contractor shall monitor and report the overrides granted under the pilot (CDRL M260).

C.7.1.13.3. The Contractor shall support the promotion of retail to mail order conversion assistance and customer service inquiries concerning the pilot, including identifying medications on a beneficiary's profile that are subject to this pilot and processing requested PAs and overrides.

C.7.1.13.4. The Contractor shall provide assistance to the beneficiary in transferring the prescription to TMOP or an MTF, based on the beneficiary's direction, as described under C.7.7.

C.7.1.13.5. When the Contractor processes a retail network pharmacy claim for a beneficiary subject to this pilot, the Contractor will communicate program information to the beneficiary. The Contractor shall send a letter to the beneficiary by the end of the following week after each of the two (2) potential courtesy refills. The letter shall be

followed by an email or automated call. The letter shall remind the beneficiary of their options for obtaining future refills (refills at MTF, MOP or pay the full cost of the medication at a retail network pharmacy), provide contact information for the Contractor's call center, and inform the beneficiary of the circumstances in which they may opt out of the pilot. In addition to the letter, the Contractor shall also attempt a follow-up contact by phone or email.

C.7.1.13.6. The Contractor shall contact a beneficiary via letter explaining the beneficiary's options under the pilot in the following situations:

- The beneficiary has paid the full cost of their covered maintenance medication at a retail network pharmacy; or
- The beneficiary did not receive their medication at a retail pharmacy and did not subsequently contact the Contractor to obtain their prescription order through TMOP.

C.7.1.13.7. After the two courtesy fills, the Contractor shall require beneficiaries to pay the full cost of prescriptions for covered maintenance medications when dispensed at a retail network pharmacy. When a beneficiary opts to pay full price for a covered medication at a retail network pharmacy, it is considered a non-covered service. A record of the dispensing shall be posted to PDTS. The Contractor will not reimburse in-network paper claims submitted by TFL beneficiaries who paid the full cost of a covered medication under this pilot unless otherwise authorized by the COR subsequent to a review.

C.7.1.13.8. The Contractor shall monitor the availability of medications on the mandatory mail drug list at TMOP. If the Contractor is unable to fill a medication subject to the mandatory mail policy at TMOP, the Contractor shall have a process in place to contact the beneficiary to explain options available for filling the prescription, including issuing an override to allow for an additional courtesy fill of the medication at a retail pharmacy, if necessary, and instructions for how to reinitiate mail order service. When a previously unavailable medication becomes available at TMOP, the Contractor shall contact the beneficiary to attempt to recapture the medication at TMOP.

C.7.1.13.9. The Contractor shall provide reporting on beneficiaries who opt out of the pilot (CDRL M270).

C.7.2. Mail Order Pharmacy Accounts

C.7.2.1. The Contractor shall support TMOP registration by a variety of means, including but not limited to submissions in writing, via telephone, or via the Contractor's website. When the Contractor receives a prescription transfer from an MTF (as described in C.7.8) for a beneficiary without an existing MOP account, the Contractor shall create an account using the information on the prescription received from the MTF.

C.7.2.2. For TMOP prescription orders, the Contractor shall allow beneficiaries to provide a credit card for the copayment amount. The Contractor shall establish individual accounts for family members, and shall allow for more than one credit card to be on record for collection purposes. The Contractor shall ensure that if a beneficiary overpays a copayment amount, the beneficiary is notified that the excess has been credited to the beneficiary's account for future prescriptions, or the overpayment is refunded to the beneficiary along with the explanation of the refund, whichever the beneficiary prefers.

C.7.2.3. As a result of its own business judgment and at its own risk, the Contractor may choose to extend credit to beneficiaries so that when an insufficient copayment is received, the Contractor may fulfill the prescription order up to the amount of the Contractor-established credit limit and credit aging parameters. As the Contractor is not acting as an agent of the Government in extending credit to beneficiaries, none of the recoupment procedures set forth in this contract or the TRICARE manuals shall be available to the Contractor to collect beneficiary copayments. Likewise, any uncollected debts from beneficiaries resulting from the extension of credit are not reimbursable under this contract. If the Contractor does not extend credit or the beneficiary has exceeded the Contractor's established credit parameters, the Contractor shall return the prescription to the beneficiary and notify the beneficiary of the correct copayment amount required.

C.7.3. Mailing Prescriptions

C.7.3.1. TMOP prescription orders shall only be mailed to beneficiaries living in the 50 United States, the District of Columbia, Puerto Rico, U.S. Virgin Islands, Northern Mariana Islands, American Samoa and Guam; to beneficiaries with an Army Post Office (APO), Fleet Post Office (FPO), or U.S. Embassy address; and to troops in deployed theatres of operation. Beneficiaries in deployed theatres of operation will be identified by the Government. TMOP prescriptions shall be shipped or mailed postage paid to the beneficiary in a manner which provides, at a minimum, a delivery time equivalent to first class U.S. Mail. The Contractor shall have the ability to suspend shipping to specified addresses outside the United States by postal code when directed by the Government. The Contractor shall ship medications care of (c/o) to the beneficiary's health care provider's office, if requested by the beneficiary. When shipping medications, the Contractor shall comply with U.S., U.S. Military, and U.S. Embassy Postal Service regulations. The Contractor shall not ship prescriptions to addresses where any prior prescription or correspondence to that beneficiary has been returned undeliverable without first contacting the beneficiary and verifying the address.

C.7.3.2. With each order shipped, the Contractor shall include information on all options for reordering and a pre-addressed envelope, so the beneficiary may order refills or new prescriptions.

C.7.3.3. Upon request by the beneficiary, the Contractor shall provide next day delivery services to beneficiaries with a mailing address within the continental U.S. The beneficiary is responsible for the additional shipping cost at the Contractor's most favorable shipping rate.

C.7.3.4. The Contractor shall be responsible for all medications dispensed by the Contractor up to the point of delivery to the beneficiary or to the alternate delivery location designated by the beneficiary. The Contractor shall allow 12 days from the original ship date for the beneficiary to receive their order. Beginning 12 days after the ship date, the Contractor shall reship the order within three (3) days of receiving notification from the beneficiary that their order has not been received or was received in unusable condition. A beneficiary shall have up to 45 days from the original ship date to report that an order was not received and request a replacement with no additional copayment. This shall be extended to 60 days for prescriptions sent using an APO, FPO or U.S. Embassy address. The Contractor shall not receive an administrative fee or replenishment for replacement shipments. The Contractor shall report on all replacement shipments requested and fulfilled (CDRL Q040).

C.7.3.5. Within 10 calendar days from the beginning of the contract base period, the Contractor shall identify its preferred Returns Management Reverse Distributor (Reverse Distributor) to the Government. The Contractor shall segregate all returned pharmaceuticals under this contract from all other pharmaceuticals in its facility. The Contractor will hold all returned pharmaceutical agents for processing by the Reverse Distributor. The Contractor will contact the Reverse Distributor no less frequently than quarterly to arrange for a return shipping date. The Contractor will provide the Reverse Distributor access to its facility for onsite inventory, packaging, and shipment of returns to the Reverse Distributor's central location. The Contractor shall submit to the Government all receipts provided by the Reverse Distributor upon pick-up. The Contractor is not responsible for the cost of packaging or shipment of returns to the Reverse Distributor.

C.7.3.6. For all pharmaceutical agents returned to the MOP, the TED record will be adjusted or cancelled as necessary to properly reflect co-payment, administrative fee, and replenishment. The TED adjustment/cancellation must maintain an accurate clinical record on PDTS.

C.7.4. Partial Shipments.

When directed by the Government, the Contractor shall dispense partial shipments of certain medications designated by the Government if the days' supply called for on the prescription exceeds 30 days. The full copayment will be collected on the first partial shipment. Subsequent partial shipments will have no copayment assessed until the full quantity of the prescription has been dispensed or until the prescription has expired. The Contractor shall document the receipt of the copay and all subsequent shipments covered by that copayment and provide reporting to the Government (CDRL Q150). The clinical record shall accurately reflect all partial dispensing.

C.7.5. Compounded Medications

Before dispensing any compounded medication through TMOP, the Contractor shall verify that all supplies and ingredients required to prepare the compound are available for replenishment from the National Prime Vendor (NPV), as described in C.7.11. In the event that any required products are not available, the Contractor may return the prescription to the beneficiary.

C.7.6. Error Reporting

The Contractor shall provide a report on all TMOP defects and errors (CDRL Q050). For purposes of this report, the Government defines a medical error according to the National Coordinating Council for Medication Error Reporting & Prevention (NCC-MERP): "Any preventable event that may cause or lead to inappropriate medication use or patient harm while the medication is in the control of the health care professional, patient or consumer." Examples include, but are not limited to:

- Lost or damaged prescriptions reported upon receipt, resulting in delay in processing and/or increased difficulty in transcription;
- Prescriptions entered into the incorrect patient's profile, transcribing the wrong drug or dose, or directions (sig), into the patient's profiles;
- Failing to correctly enter all elements of a prescription, e.g., refills, such that the patient may not correctly receive the correct duration of therapy; or events that may trigger an allergy or drug-drug interaction, dosed incorrectly, wrong quantity transcribed, etc.; or
- Incorrect quantity dispensed, broken medications, label, bottle or packing defects, improper storage or shipping.

C.7.7. Prescription Conversions from Retail

C.7.7.1. At the beneficiary's authorization, the Contractor shall contact the prescriber to obtain a new prescription to be filled by the TMOP or the MTF pharmacy designated by the beneficiary. The Contractor shall offer both points of service as an option to the beneficiary to transfer their medications.

C.7.7.2. The Contractor shall provide reporting on the number of transfers requested and completed (CDRL Q140).

C.7.8. Prescription Transfers from MTF Pharmacies

The Contractor shall support the electronic transfer of eligible prescriptions from specific MTF pharmacies identified in Attachment J-3 to TMOP, as described in the "Implementation Guide for Transferring Prescription Refills from the Military Treatment Facility (MTF) to the TMOP". Participation will be at the discretion of each individual MTF. At the start of pharmacy services, the Contractor shall support MTF to TMOP transfers from the six (6) pharmacies identified by the Government. For each participating MTF, the Contractor shall support connectivity testing, mapping of the drug file for medications designated by that MTF, and education of the MTF's beneficiary population. The Contractor shall also provide ongoing support to these MTFs to resolve any issues experienced in the transfer of prescriptions to TMOP, including monitoring unsuccessful transfers and determining the cause. Any prescription transfer requests for beneficiaries who have OHI will be rejected back to the MTF. The Contractor shall provide a report to the Government of all successful and rejected MTF transfers (CDRL M110).

C.7.9. Specialty Pharmacy Services

C.7.9.1. Specialty pharmaceuticals are high-cost injectable, infused, oral or inhaled drugs that are generally more complex to distribute, administer and monitor than traditional drugs. The Contractor shall provide specialty pharmaceuticals through the mail order and retail pharmacy venues. Through its operation of specialty pharmacy services, the Contractor shall maximize the extent to which beneficiaries obtain specialty pharmaceuticals from TMOP rather than from retail pharmacies.

C.7.9.2. DoD designates specialty mail order pharmacies in which the Contractor has ownership or a financial interest as extensions of the TMOP pharmacy. The Contractor shall identify to the Government specialty pharmacies designated as such and their locations. The Contractor shall notify the Government of any changes to this list. Prescriptions filled by TRICARE eligible beneficiaries at these extensions of the TMOP pharmacy will be subject to TMOP prescription processing requirements and MCPF pricing. All pharmaceutical agents and supplies, dispensed through TMOP or its designated extensions under this contract are subject to replenishment requirements outlined in Section C.7.11 of this contract. All replenishment orders will be placed through a centralized ordering process and delivered to TMOP.

C.7.9.3. The Contractor shall ensure that beneficiaries have access to pharmaceuticals that are subject to limited distribution channels established by the pharmaceutical manufacturer and/or the FDA. In cases where limited distribution items are dispensed by a specialty mail order outlet but are not available for replenishment by the NPV, the Contractor may request the Government's approval to process prescriptions for those NDCs as retail network claims. These NDCs will then be adjudicated as standard retail network claims and will not be replenished by the Government.

C.7.9.4. The Contractor shall provide a dedicated toll free number for beneficiaries and providers to call for assistance relating to specialty pharmaceuticals and services. Minimum hours of operation shall be 8 a.m. to 9 p.m. (Eastern Time), Monday through Friday. The Contractor shall provide a dedicated line for providers, either through a separate phone number or a provider option at the beginning of the automated phone menu.

C.7.9.5. Specialty Clinical Services

C.7.9.5.1. The Contractor shall provide clinical services in conjunction with all pharmaceuticals designated on the DoD clinical services drug list and dispensed through TMOP, including specialty pharmacies designated as DoD specialty mail order outlets. Final decisions of the Director, TMA regarding changes to the identification of pharmaceuticals subject to clinical services and change implementation dates are published in the quarterly DoD Pharmacy and Therapeutic Committee Minutes at http://pec.ha.osd.mil/pt_minutes.php. See TOM Chapter 23, Section 1 for information on drugs eligible for specialty care services.

C.7.9.5.2. The Contractor shall provide clinical support services to beneficiaries receiving designated medications through TMOP. These services shall include, but are not limited to:

- Optimizing therapeutic outcome by minimizing adverse clinical events, minimizing waste, and achieving a high level of beneficiary satisfaction.
- Conducting patient-centric adherence monitoring and member education initiatives.
    - Optimizing medication adherence (education, reminders, side-effect management) for specialty drug products with poor adherence rates or significant risks when used inappropriately.
- Provision of educational information and medication administration training through multiple mediums, such as verbal, written or online, to TRICARE beneficiaries receiving specialty drugs.
- Providing plan-specific clinical and outcomes reporting, including rates of transferring specialty pharmaceutical prescriptions from retail to TMOP.
- Providing specialty drug market analytics, and developing proactive cost and utilization management initiatives directed towards beneficiaries and prescribers.

C.7.9.5.3. All beneficiaries filling these medications through TMOP or a DoD specialty mail order pharmacy outlet are to be automatically enrolled to receive these clinical services. On a quarterly basis, the Contractor shall conduct a review for patients who have refused to participate in these clinical services. These beneficiaries shall be dis-enrolled from the clinical services.

C.7.9.5.4. The Contractor shall provide a report on the dispensing of specialty prescriptions and clinical services provided (Q060).

C.7.10. Deployment Prescription Program (DPP)

C.7.10.1. The Contractor shall manage all aspects of the TMOP registration and prescription process for deploying service members and provide comprehensive reporting allowing the Government to monitor the program (CDRL M060). Deployment prescriptions include all prescriptions for TRICARE eligible beneficiaries deployed in a theater of operation.

C.7.10.2. For beneficiaries deployed in theaters of operation, the Contractor shall provide notification by email or telephone, based on beneficiary preference, of prescriptions received, placed in pended status, and the anticipated processing date for each.

C.7.10.3. The Contractor shall receive prescriptions via standard mail, fax, or secure server from any Pre-Deployment Out-Processing Center or directly from the deployment location, hereafter referred to as the "Center". Upon receipt of a prescription for a deployed service member, the Contractor shall verify, adjudicate, and process the prescription in accordance with the procedures outlined below. DPP prescriptions may have additional restrictions, as stipulated at http://pec.ha.osd.mil/PMART/deployment.php.

C.7.10.4. In support of the DPP, the Contractor shall establish communication and maintain a current point of contact at all Centers. The Contractor shall educate the Centers on the most common causes for delays in prescription processing and returned prescriptions and actively work with the Centers to maximize the volume of clean prescriptions received and dispensed.

C.7.10.5. Upon receipt of a DPP prescription, the Contractor shall perform the following verification steps:

1. Perform DEERS eligibility query. If member shows ineligible, Contractor shall contact deployed member to notify them to update DEERS with active status. Activated National Guard and Reserve service members may have to submit orders to DEERS.
2. Verify that registration is complete and legible. If further information is required to process the prescription, the Contractor shall contact Centers directly within one (1) business day. The Contractor shall return the prescription form to the Centers for correction when requested by the Center. The Contractor shall accept a variety of templates and prescription forms, including digitally signed electronic forms.
3. Enter all beneficiary registration and prescription information into Contractor's system and verify that the information provided is complete and correct. The most common cases for delayed prescriptions are:
    - Invalid/missing APO address
    - Missing prescriber signature, illegible prescriber name, missing credentials (DEA, NPI, or state license). Note: All prescriptions for controlled medications must have the prescriber's assigned DEA number.
    - Drug name/strength/form incorrect or missing
    - Directions are missing, written "as directed" or not consistent with the dosage form (i.e. medication is a patch but directions are "one po qd".)
    - Active duty member is showing as ineligible in DEERS.
    - Prescription written for temperature sensitive medications. This includes capsules being shipped during hotter months and similar medications not otherwise requiring refrigeration.
4. Communicate with Center to insure all prescriber identifiers are received.
5. Verify whether prescription is for immediate fill or pended status. If prescription is to be pended, continue to (6). If for immediate fill, skip to (7).
6. Prescriptions to be pended will be screened for completeness and ProDUR performed prior to pending. Rejections and clinical warnings that would prevent the prescription from processing when it is released from pending status should be resolved with the prescriber and corrected in the system prior to pending the prescription. This screening is in addition to the full adjudication process that occurs prior to dispensing, when the prescription is released from pended status.
7. Prescriptions for immediate dispensing will follow the standard adjudication process and the appropriate overrides entered to allow the prescription to fill. These overrides may include the following:
    - Max days supply limit (up to 180 days supply)
    - Refill too soon
    - Medical necessity
    - Prior Authorization required
    - Excluded drug – When in receipt of a valid prescription for a deployed service member, the Contractor shall process medications otherwise excluded from the TRICARE benefit at the retail and mail points of service. (Note: Dispensing of these excluded medications may be covered under the language in C.7.12)
    - Quantity Limits
    - Maximum Cost

8. Where clarification is required to process the prescription, the Contractor shall contact the prescriber within one (1) working day to verify prescription. The Contractor shall allow 10-14 days for the prescriber to respond. If no response is received from the prescriber, the Contractor shall contact the Center for assistance in correcting the prescription. After attempting appropriate follow-up, the Contractor shall return any prescriptions that cannot be processed to the Center point of contact.
9. When a delay is expected in entering the pended prescription and/or processing the immediate order, the Contractor shall notify the service member via email within one (1) business day. Notification shall occur by email or phone, based on the beneficiary's preference.
10. The Contractor shall notify both the prescriber and service member by email to confirm successfully processing and/or shipping of a prescription.

C.7.11. Pharmaceutical Agents and Supplies

C.7.11.1. The Contractor shall provide inventory of pharmaceutical agents and supplies, hereafter referred to collectively as "agents," for TMOP for dispensing to TRICARE beneficiaries. The Government shall replenish that inventory as set forth below.

C.7.11.2. In order for the Government to replenish agents dispensed to TRICARE beneficiaries, the Contractor shall: (1) for brand medications, request replenishment in kind for the same agents as dispensed; (2) for generic medications, request replenishment in kind (i.e. the same agents as dispensed), or a therapeutically equivalent pharmaceutical agent. The Contractor shall request replenishment for agents dispensed to TRICARE beneficiaries by using the MCPF to obtain agents from the Government's contracted NPV (contract SPM2DX-13-D-1000 McKesson Corporation, solicitation SPM2DX-11-R-0001.The Contractor shall use the NPV as the primary source for pharmaceutical agents and supplies. In order to optimize replenishment, the Contractor will provide written notification to the CO or COR when the NPV is not able to resolve any situations which may impede the replenishment process. This notification will identify each situation, including the specific agent and NDC, number of prescriptions impacted, reasons for the issue (if known), and any steps taken to locate additional sources of supply, and also provide recommendations as appropriate.

C.7.11.3. The Government compiles the MCPF from Federal Supply Schedules (FSS), Distribution and Pricing Agreements (DAPA), joint DoD/DVA national contracts, DoD contracts, and Blanket Purchase Agreements (BPA). This is currently compiled by the DLA-TS. The Contractor shall use the MCPF to identify, select, and price orders from the NPV for agents in package sizes that are most economical to the Government and can support TMOP utilization levels. If the Contractor is using the NPV's online ordering system, the contactor is required to select the most economical contracted agent available in the online ordering system. Orders shall be rounded down to the nearest whole package size of product needed to replenish agents dispensed through TMOP. The agents will be shipped by the NPV to the Contractor's TMOP location(s). In limited cases when required by the NPV or manufacturer, the Contractor may receive orders that are drop shipped directly from the manufacturer to TMOP.

C.7.11.4. The Contractor will submit all routine orders to the NPV using the Electronic Order Entry System (EOES) Monday - Friday between the hours of 8:00AM and 5:00PM (Pacific Time). In order for the NPV to make routine delivery by the next business day, the Contractor shall submit its routine order(s) by 5:00PM (Pacific Time).

C.7.11.5. The Contractor may submit emergency orders to the NPV as needed, 24 hours a day, 7 days a week (using EOES, telephone, fax or email). Under the terms of the NPV contract (SPM2DX-13-D-1000) delivery of all emergency orders will be made to the TMOP receiving facility within six (6) hours

of receiving an emergency order. The Contractor may request two (2) emergency shipments per month to TMOP at no additional transportation / handling charges to TMOP. Any additional emergency orders will accrue all applicable transportation and handling costs, which will be borne solely by the Contractor.

C.7.11.6. The Contractor, by performing a quantity receipt acknowledgement process consistent with the requirements in the NPV solicitation, will not be responsible for the cost of the product received from the Government since receipts represent replenishment of authorized quantities of agents dispensed at TMOP.

C.7.11.7. The Contractor shall not deviate from the procedures described above when ordering products from the NPV without prior written authorization from the CO or COR. Requests to do so shall include the 11-digit NDC number, nomenclature of the product(s), package size, anticipated purchase quantity, unit cost per package, and anticipated total cost of the order for both the requested product and the product it will replace.

C.7.11.8. The Contractor shall track and report volume of dispensed agents and replenishment agents ordered and received from the NPV, and provide auditable reconciliation reporting by 11-digit NDC number (CDRLs M200 and M210). The elements required for auditing will be specified by the Government. In the event that a dispensed NDC is not available for replenishment, the Contractor will request replenishment with a therapeutically equivalent substitute product with the same drug, dose, and dosage form. In cases where therapeutic equivalent agents are used to replenish dispensed agents, the Contractor will maintain records which permit the therapeutic equivalent agents to be tracked by quantity and cost back to the original agents in the Contractor's inventory. The quantities ordered shall not exceed the quantities dispensed. The Contractor will provide written notification to the Government within 14 days if availability issues result in prescriptions being returned to the beneficiary.

C.7.11.9. The Contractor shall coordinate with the NPV and the DLA-TS as necessary in order to accomplish the replenishment of TMOP pharmaceutical agents. The operational processes for this coordination are between the Contractor and the NPV, but shall not be inconsistent with NPV requirements established in the DLA-TS/NPV contract SPM2DX-13-D-1000, or successor contracts.

C.7.11.10. The Contractor shall provide volume utilization data to the NPV for prescriptions dispensed by TMOP, to be used in determining the quantity stocked by the NPV.

C.7.11.11. At least twice a year, the Contractor shall participate in a process to expend any credits that have accumulated with the NPV as a result of returns, pricing errors, and other adjustments. This date and exact process for using the credit shall be mutually agreed-upon by DLA-TS, the NPV, the COR and the Contractor. In the event of an unusually large credit, the Government may initiate an out-of-cycle request to perform the process.

C.7.12. Fulfillment and Absorption of Unreplenishable Pharmaceutical Agents and Supplies

As provided herein, the Contractor shall primarily dispense agents which are replenishable by the NPV. The Contractor understands that dispensed agents unreplenishable from the NPV are the responsibility of the Contractor. When an agent that is normally available from the NPV becomes unavailable, the Contractor will utilize its inventory to fill prescription orders.

C.7.13. Rebaseline and Continuous Monitoring

C.7.13.1. Prior to the start of pharmacy services and by a date mutually agreed upon after award, and during each successive exercised option period within 60 days of CO notification, the Contractor will submit a baseline listing of multi-source generic or branded products by 11-digit NDC for approval by the CO or COR. Each baseline listing will identify the therapeutically equivalent NDC that is the most economical to the Government and will be dispensed for each product whenever substitution is permitted by the prescriber.

C.7.13.2. Following the start of option period 1, the Contractor shall continuously monitor availability and pricing of all products and provide weekly recommendations to the Government for the most cost-effective agents to be dispensed through TMOP. The Contractor shall identify the recommended change by 11-digit NDC for the Government's approval and the anticipated annual savings to the Government based on current utilization trends.

C.7.13.3. Authorization for NDC change requests must be obtained from the CO or COR in writing. The CO may direct the Contractor to make additional changes due to: 1) significant changes in drug prices, 2) the Government's award of a pharmaceutical procurement contract, or 3) other circumstances that necessitate a change.

C.7.13.4. The Contractor shall complete each NDC change no later than thirty calendar days after being notified by the Government. The Contractor shall submit a written request for extension to the COR within ten (10) days of receiving initial notification if the NDC change is expected to take longer than thirty calendar days. The request shall state the date the NDC change will be made and include the rationale for the extension.

C.7.13.5. The Contractor shall attempt to deplete all current inventory received from the prime vendor prior to implementing the NDC change. In situations where the prime vendor has supplies of government-specific inventory, the Contractor shall work with the prime vendor to deplete supplies prior to implementing the NDC change. The Contractor shall notify the Government if it anticipates it will be unable to deplete this inventory.

C.8. Formulary & Copayment

C.8.1. Uniform Formulary

C.8.1.1. The Contractor shall comply with the provisions of the DoD Uniform Formulary and its copayment structure. Uniform Formulary changes are generally announced quarterly. Additional information may be found at www.tricare.mil/uniformformulary and www.tricare.mil/pharmacycosts.

C.8.1.2. The Contractor's participation in the formulary review process will be through its participation in the Beneficiary Advisory Panel (BAP). Further information is available here: http://www.tricare.mil/pharmacy/BAP/default.htm.

C.8.1.3. When the P&T process makes changes to the formulary such as the approval of new or revised clinical interventions, prior authorization, medical necessity, or alters clinical and/or safety criteria, the Contractor shall adopt those changes according the specified implementation date. The Contractor shall continually monitor and implement uniform formulary changes published at http://pec.ha.osd.mil/pt_minutes.php.

C.8.1.4. TRICARE authorized vaccines administered by retail pharmacies in accordance with the Centers for Disease Control (CDC) immunization protocols governing their use found at http://cdc.gov/vaccines

are covered under the TRICARE Pharmacy Benefit. The list of TRICARE authorized vaccines are found on the TRICARE website, located at www.tricare.mil/vaccines. The Contractor shall also monitor and adhere to any future change to the list if and when it occurs.

C.8.1.5. Requests for pharmaceutical agents and supplies not covered under the pharmacy benefit will be denied. Appeals of denied claims submitted by the beneficiary will be reviewed under the appeals process, set forth in TOM, Chapter 12.

C.8.2. Copayment Collection

Copayments shall be charged to beneficiaries in accordance with the TRM, Chapter 2, Addendum B. The Contractor shall be responsible for collecting beneficiary copayments when dispensing prescriptions through TMOP, and ensuring that the appropriate copayment is collected at retail network pharmacies. The Contractor shall make changes to its systems to implement the pharmacy copayment specified in the TRM, Chapter 2, Addendum B within 14 calendar days of receiving notice from the Government that the copayment dollar amount and/or percentage has changed. Copayments for prescriptions under special programs will be included in TRM, Chapter 2, Addendum B and may vary from the normal three tier structure. All copayment changes will be effective for pharmaceuticals dispensed on and after the implementation date specified by the Government.

C.9. Clinical Services

C.9.1. Clinical Reviews

C.9.1.1. The Contractor shall perform clinical reviews for pharmaceuticals designated by the P&T as requiring Prior Authorization (PA) and/or Medical Necessity (MN), and based upon P&T established criteria. The P&T Committee will provide PA and/or MN criteria for these pharmaceuticals. The Contractor shall conduct any required clinical reviews using the approved criteria.

C.9.1.2. A current listing of pharmaceuticals requiring PA and/or MN may be found at:

- PA: http://pec.ha.osd.mil/forms_criteria.php
- MN: http://pec.ha.osd.mil/nonform.php?submenuheader=1

When P&T designates new pharmaceuticals as requiring a PA or MN, the Contractor shall adopt those changes according the specified implementation date. The Contractor shall have a process for validating new clinical review requirements to ensure that claims adjudicate as intended by the Government.

C.9.1.3. The Contractor shall use best commercial practices for conducting all clinical reviews so as to achieve TRICARE Pharmacy Program objective of minimizing costs to the Government by maximizing the use of preferred drugs and minimizing the use of non-preferred or non-formulary drugs.

C.9.1.4. The Contractor shall check the patient's profile to determine if a clinical review for necessary PA or MN has been completed as a result of an MTF dispensing or for a mail order or retail dispensing. The Contractor shall not perform a clinical review if one has previously been completed. If no PA or MN is on file and there is no prior record of an MTF dispensing of the medication, the Contractor shall perform the determination and transmit the approval or denial of the PA or MN determination to PDTS. Additionally, TED records will be submitted in accordance with the TSM for all approved or denied clinical reviews performed. If additional information is received for a denied PA or MN within 14

calendar days of the initial denial, the reconsideration shall be considered part of the initial review and no change shall be made to a previously submitted TED for the revised PA or MN.

C.9.1.5. The Contractor shall send a letter to the beneficiary and prescriber providing notification of the clinical review decision. For denied clinical review determinations, the letter shall advise the beneficiary of their appeal rights. The initial notification shall contain sufficient information to enable the beneficiary or prescriber to understand the basis for the denial and shall state with specificity what services and supplies are being denied and for what reason (i.e., listing specific PA or MN criteria not met). The Contractor shall utilize best commercial practices for communicating these denials to minimize beneficiary confusion. An appeal of the Contractor's initial determination and any further appeals shall be processed in accordance with the TOM, Chapter 12.

C.9.1.6. The Contractor will also be responsible for providing the Government with information for use in P&T deliberations. The Contractor shall provide expertise and recommendations:

- For implementation of criteria prior to PA or MN implementation, based on best commercial practice; and
- For maintenance of the criteria over time (i.e., making appropriate recommendations for changes to the criteria if new clinical information becomes available after the implementation period).

The Contractor will propose changes to implementation processes or criteria, as they relate to TRICARE patients, and provide those proposed changes for Government review and concurrence. The Contractor will be responsible for developing the mechanism for reviews, subject to Government concurrence.

C.9.1.7. The Contractor shall perform PA determinations regarding off-label use of pharmaceuticals in accordance with the TPM, Chapter 8, Section 9.1.

C.9.1.8. The Contractor shall have the ability within its system to identify all beneficiaries with an existing PA or MN for specific medications, at the request of the Government. The Contractor shall have the ability to apply, shorten, extend, or remove a specific PA or MN for any identified patient or group of patients. The Contractor shall execute this process within 30 days of receiving a request from the Government.

C.9.1.9. The Contractor shall process clinical review requests and provide notification to the beneficiary and prescriber in a manner that meets the following minimum processing standards:

- 95% of all clinical reviews shall be completed and notification sent within five (5) days of receipt of a properly completed request, measured monthly.
- 100% of all clinical reviews shall be completed and notification sent within ten (10) days of receipt of a properly completed request, measured monthly.

The Contractor shall provide reporting with clinical review volumes and processing times (CDRL Q090).

C.9.1.10. Availability of Medications Non-Compliant with Federal Ceiling Price

C.9.1.10.1. Retail network claims for covered drugs will be limited by the written pricing agreement requirements at 32 C.F.R. 199.21(q) (2). The P&T process will determine when covered drugs are unavailable through the retail network under this regulation and determine the criteria for preauthorization. These items and their respective implementation dates are published at http://pec.ha.osd.mil/pt_minutes.php.

C.9.1.10.2. Beginning on the published implementation date, access to these medications in the retail pharmacy network shall be restricted in accordance with TPM, Chapter 8, Section 9.1. The Contractor shall block all dispensings of the selected drug in the retail network, except when a preauthorization has been approved.

C.9.1.10.3. As the Government restricts access to a non-compliant covered drug, the Contractor shall mail notices to beneficiaries with active prescriptions, describing the new restriction and providing information on how to change the current prescription to either an approved agent or move to TMOP (See C.10.4.3). The beneficiary may also submit a request for preauthorization, which shall be considered a type of clinical review and processed under the requirements in C.9.1.

C.9.1.11. Clinical Reviews for Dispensing Brand Over Generic

The Contractor shall perform prior authorizations using Contractor-developed, Government-reviewed criteria to determine when there is a clinical justification to use a brand name drug in lieu of a generic equivalent. The Contractor's criteria and documentation of clinical basis for criteria will be made available to the COR, for initial approval and concurrence, not less than 120 days prior to the start of pharmacy services. Once initial criteria are approved, the Contractor may only make changes to the criteria, as they relate to TRICARE patients, upon the Government's review and concurrence.

C.9.2. Administrative and Automated Overrides

The Contractor will perform administrative and automated reviews. These edits do not require the same level of effort as clinical reviews and shall not be considered as such. These edits include but are not limited to automated overrides for age limit and gender restrictions for beneficiaries who meet the criteria, automated profile reviews, as well as quantity limit overrides for vacations, deployments, or medication dosage changes. System generated PAs shall be distinguished from PAs resulting from a clinical review on the patient's profile and in the PDTS data warehouse.

C.9.2.1. Administrative Overrides for MTF Claims

MTF pharmacies perform their own clinical review and the Government deems that the requirement for prior authorization for a drug has been satisfied if that drug has been dispensed at an MTF pharmacy , including medications dispensed in theater (See **Error! Reference source not found.**). When adjudicating a claim at any point of service for a prescription requiring prior authorization, the Contractor shall review the profile for any MTF dispensings of the medication. If the medication has been dispensed by an MTF, the Contractor shall perform an administrative override to bypass the PA requirement and process the claim. This override shall be applicable to the dispensing of the medication at other points of service in alignment with benefit design rules as determined by the Pharmacy and Therapeutics Committee or business rules for claims processing. The override does not apply to any ProDUR edits that the claim may generate and will be handled according to the applicable business rules for that claim.

C.9.2.2. Automated Profile Reviews

The Contractor shall provide automated profile reviews for pharmaceuticals and drug classes designated by P&T. Step therapy is a type of automated profile review that is intended to channel patients to preferred agents that provide the most cost-effective therapy and the least risk to patients. The Contractor shall perform the step therapy reviews electronically via automated medication profile review in real-time at the point of service. When a prescription for a drug requiring automated profile review is presented, the

automated profile review will look back a minimum of 180 days, and up to 360 days for qualifying drugs. The Contractor's look back methodology shall have technical capabilities to be able to address a variety of potentially complex step edits, including but not limited to multiple steps.

C.9.3. Safety Enhancement for Step Therapy

The Contractor will promote patient safety when the step therapy edit results in a prescription claim rejection. At a minimum, the Contractor shall ensure that the beneficiary and prescriber understand why a rejection has occurred and the available options and alternatives drugs, as applicable. The Contractor shall perform outreach to patients who encounter a rejection and subsequently do not fill a prescription for the medication or for a suitable alternative within four (4) days of encountering the rejection at retail and seven (7) days at TMOP. The Contractor shall provide outreach to all such patients for step therapy for drugs or classes designated by P&T within 14 days of the reject and provide reporting to the Government (CDRL Q220).

C.9.4. Prescription Monitoring Initiatives

C.9.4.1. Under 32 C.F.R. 199.4, TRICARE may not cost share drugs to support or maintain a potential abuse situation. Prescription monitoring is a coordinated effort between TRICARE pharmacy and medical venues to identify beneficiaries who exhibit possible unsafe controlled medication usage and to restrict specific individuals to appropriate levels of utilization for their medical situation. The Contractor shall support prescription and utilization monitoring intended to identify potential abuse situations and restrict access to prevent further abuse. Two aspects of prescription monitoring include the Prescription Restriction Program, described under C.9.4.2, and MTF Restrictions, described under C.9.4.3.

C.9.4.2. Prescription Restriction Program

C.9.4.2.1. The Contractor shall manage the Prescription Restriction Program in accordance with the requirements set forth in TPM, Chapter 8, Section 9.1, Paragraph 4.0 and TOM, Chapter 13, Section 2, Paragraph 4.4.7. The Contractor shall coordinate efforts to identify potential candidates with the three regional MCSCs and TMA Pharmacy Operations Center (TMA POC). While identifying potential candidates relies primarily on pharmacy generated reporting, the Contractor will accept candidate referrals from any source. The Contractor shall forward referrals to the appropriate medical venue for assessment of the candidate's medication use and other factors.

C.9.4.2.2. Forms are available for passing prescription and utilization management data at http://pec.ha.osd.mil/pdts/pdts_mtfs.php.

C.9.4.2.3. The Contractor shall generate a quarterly listing of the most likely candidates for restrictions based upon the number of controlled medications filled, the number of physicians prescribing controlled medications and the number of pharmacies that fill these prescriptions. The list will reflect the top 150 candidates per MCSC region and will be provided to each MCSC and/or TMA POC for Active Duty personnel / beneficiaries enrolled to an MTF. The MCSCs or MTF will then review medical claims to determine if the amount and type of prescriptions reported are appropriate for the beneficiary's diagnosis.

C.9.4.2.4. Where the MCSC or MTF determines that a restriction is appropriate and notify the Contractor accordingly, the Contractor shall take one of the following actions for that beneficiary:

1. Restrict the beneficiary to all drugs from a specific provider(s);

2. Restrict the beneficiary to specific controlled medications and/or specific non-control medications prescribed by a specific provider(s);
3. Limit access to specific MTF pharmacy(s) by excluding controlled medications or specific non-controlled medications from retail and mail order; or
4. Require the beneficiary to pay 100% of the cost of medication until beneficiary provides the required information to the pharmacy Contractor.

C.9.4.2.5. Upon receiving one of the above recommendations from the MCSC or MTF about which beneficiaries should be enrolled in the program the pharmacy Contractor shall send a letter to each beneficiary identified. The letter shall inform the beneficiary that they have been enrolled into the program and that they are required to designate their physician(s) are and a single hospital, or a single MTF, where they will receive health care services.

C.9.4.2.6. Upon receiving the beneficiary's response designating their prescribing providers, the Contractor shall lock the beneficiary into those providers for all controlled substances and/or any specific non-controlled medications. Once the beneficiary is locked into specific providers, the Contractor shall reject all pharmacy prescriptions for those medications written by a non-designated provider. These rejects can only be overridden by the Contractor (not at the point of sale) if approved by COR, TMA POC, or other designated authority.

C.9.4.2.7. The Contractor shall provide a list of beneficiaries who have not responded within 14 calendar days to the COR or other designated authority to approve the entry of the restriction type 4 listed under C.9.4.2.4.

C.9.4.2.8. The pharmacy Contractor will enter, remove, or modify restrictions within 24 hours of receiving provider selections from the beneficiary or guidance from the Government. Approved overrides to restrictions will be entered as soon as possible, not to exceed four (4) hours. Restrictions will be handled differently for mail order, retail and MTF prescriptions: Mail order and retail pharmacies prescriptions will be rejected if they are not in compliance with the beneficiary's restriction. These rejects will only be overridden if approved by the COR or other designated authority. An MTF prescription however, will generate a ProDUR warning alerting them that the beneficiary is not in compliance with their restriction, which the MTF can override.

C.9.4.2.9. The Contractor shall also apply restrictions for beneficiaries at their own request (for example, in the case of identity theft). Beneficiaries with restrictions entered at their own request may dis-enroll from the program at any time and remove all restrictions.

C.9.4.2.10. To aid the Government in monitoring the program, the Contractor shall provide reporting on the number of beneficiaries with restrictions, changes to restrictions over the reporting period, and beneficiaries not in compliance with their restrictions (CDRL Q100).

C.9.4.3. Other MTF Restriction Programs

In addition to the Prescription Restriction Program, individual MTF sites may have specific utilization and prescription monitoring programs, such as Warrior Transition Units, where military personnel may be enrolled for a limited duration. Under these programs, the MTF will make determinations for modification and/or removal of a beneficiary's restrictions. The MTFs will communicate these determinations to the TMA POC, who will notify the Contractor to modify restrictions. The Contractor shall enter or update these restrictions as described above. For these restrictions, the Contractor shall

ensure that the TMA POC toll free and DSN numbers are listed in the ProDUR warning and shall direct any requests for further information on the restriction to the TMA POC.

C.9.5. Adherence Monitoring

Adherence to medication therapy is an important component of improving overall health outcomes. The Contractor shall implement processes to monitor, measure, report and improve prescription adherence. Initiatives include but are not limited to processes designed to increase patients' adherence to prescribed therapy, promote conversion to preferred formulary agents and to optimize drug therapy in selected populations/disease states.

C.10. Beneficiary Services & Education

C.10.1. Beneficiary Support Services

C.10.1.1. The Contractor shall offer beneficiary services, including a call center. The Contractor shall operate beneficiary services with personnel predominantly dedicated to this contract and shall respond to beneficiary inquiries 24 hours a day, 365 days a year, in accordance with the contract requirements and performance standards stated below. Through its beneficiary services operation, the Contractor shall provide accurate, complete and timely responses in a courteous manner to questions from beneficiaries about any aspect of the services provided under this contract. The Contractor shall use best commercial practices and technology that meet the needs of the MHS beneficiary in providing customer support and education resources, including mobile access and social media. The Contractor shall provide beneficiary services to all non-English speaking and hearing impaired beneficiaries. The Contractor's beneficiary service operation shall fully support beneficiary inquiries during the phase-in period beginning no later than 40 calendar days before the start of pharmacy services. The Contractor shall provide a data file of call center utilizers (CDRL Q070).

C.10.1.2. The Contractor shall offer toll free numbers in support of all the services provided under this contract, based on the requirements in Chapter 23, Section 4 and Chapter 11, Section 7 of the TOM. The Contractor shall provide the Government with a list of all telephone and fax numbers used in the support of this contract and shall provide updates when numbers are added or changed.

C.10.1.3. The Contractor shall provide beneficiaries with access to their own claims history for no less than 18 months after their TRICARE eligibility has ended.

C.10.1.4. When the Contractor cannot resolve a specific beneficiary issue related to care not covered under this contract, the Contractor shall facilitate the beneficiary's contact with the appropriate organization to seek additional guidance. This requirement includes, but is not limited to the following situations:

- The beneficiary's issue concerns eligibility status within DEERS and must be addressed by the DEERS Customer Support Office; or
- The beneficiary's issue concerns coverage administered by another TMA Contractor (e.g., the MCSCs for their region).

Based on the additional guidance, the Contractor will continue to work the issue until resolved or otherwise dispositioned.

C.10.1.5. The Contractor's Automated Response Unit (ARU) shall have an option for beneficiaries to check the status of their TMOP pharmaceutical prescription orders. The ARU initial menu shall also allow beneficiaries the option of being immediately transferred to a Customer Service Representative.

C.10.1.6. At the beneficiary's request, the Contractor shall perform coverage checks to verify whether a prescription will process under the benefit and confirm the copay that will be assessed. The Contractor shall use the complete beneficiary profile and claims data when performing the coverage check to ensure that the beneficiary is provided with an accurate answer, including but not limited to:

- Medications dispensed at all points of service;
- Clinical reviews on file; and
- Previous claims impacting edits.

C.10.1.7. The Contractor shall accept referred customer service cases via the Government's secure, web-based Assistance Reporting Tool (ART) which promotes customer service by facilitating beneficiary case resolution with less risk of compromising Protected Health Information (PHI) or Personally Identifiable Information (PII).

C.10.1.8. All written responses to beneficiaries shall meet the standards established in the Plain Writing Act of 2010 (See 5 U.S.C. 301), as implemented in DoDI 5025.13, communicating to beneficiaries in a manner that is "clear, concise, well-organized and follows other best practices appropriate to the subject or field and intended audience." The Contractor shall use alternative government identification number, such as the DoD Benefits Number (DBN) in place of the SSN on outgoing correspondence from the Contractor to the beneficiary.

C.10.1.9. The Contractor shall monitor priority correspondence (See TOM Chapter 23, Section 4) addressing any beneficiary issue under this contract received from any source and provide reports of priority correspondence updated as correspondence is entered or closed (CDRL M080). The Contractor shall forward priority correspondence to the Government in accordance with TOM Chapter 11, Section 6, Paragraph 5.3.

C.10.1.10. The Contractor shall monitor issues driving call center volume and provide monthly report of the top call center issues to the Government (CDRL M090). Additionally, significant issues that drive high call volumes or other significant sources of beneficiary dissatisfaction shall be reported to the COR or other designated authority. The Contractor shall provide a data file identifying all beneficiaries contacting the call center over the reporting period. Interim updates on specific issues shall be provided to the Government upon request.

C.10.1.11. On an ongoing basis, the Contractor shall monitor beneficiary calls and industry trends to identify emerging issues impacting TRICARE beneficiaries. These issues shall be communicated to the COR or other designated authority on a timely basis. The Contractor shall work in collaboration with the Government to address these issues as appropriate.

C.10.1.12. The Contractor shall provide the Government with real-time remote and on-site call monitoring capabilities, as described in TOM, Chapter 11, Section 7.

C.10.1.13. The Contractor shall provide an EOB to the beneficiary detailing the beneficiary's retail, mail order, specialty and MTF prescription activity. The Contractor shall provide EOBs primarily by electronic means, but will also offer delivery by mail at the beneficiary's request or if a valid email address is not available. Electronic EOBs are to be generated monthly but mailed EOBs will only be provided on a quarterly basis. The Contractor shall track the volume of EOBs sent through both channels, including the

number of returned electronic notifications, the number of beneficiaries that accessed their electronic EOB and the number of mailed copies that were returned (CDRL Q130).

C.10.1.14. As measured on a monthly basis, measured specifically for the beneficiaries serviced under this contract, the minimum performance shall be as follows:

Service Category	Standard
Telephone Answering (Initial answer)	100% within 20 seconds
Transfer to live Beneficiary Service Rep after selection by caller	30 seconds Average Speed of Answer
Telephone Call Blockage rate	2% or less
Abandoned Call rate at any point	3% or less
Telephone Calls Resolved at any point	95% during initial call, 100% within 2 days
Priority Correspondence – Complete and issue resolved (to the Government's satisfaction)(Includes Electronic)	95% during 10 days, 100% within 30 days
Routine Correspondence (Includes Electronic)	85% within 15 days, 100% within 30 days

The Contractor shall provide reporting on all metrics (CDRL Q110).

C.10.2. Pharmacy Help Desk Service

C.10.2.1. Starting no later than 40 days prior to the start of pharmacy services, the Contractor shall operate a pharmacy help desk that helps retail network pharmacies provide courteous, prompt, efficient retail pharmacy services to TRICARE beneficiaries in accordance with TRICARE Pharmacy Program requirements.

C.10.2.2. The Contractor shall also accommodate calls from MTF pharmacies to support processing of claims, dispensing of medications, or other related issues. The Contractor shall provide a dedicated toll free number in support of MTF pharmacies and shall have staff specifically trained to support the MTFs. When the Contractor's staff is unable to provide resolution to an issue, the Contractor shall provide full documentation of the steps taken to resolve the issue when escalating the issue to the TMA POC. Prior to the start of pharmacy services, the TMA POC will provide training to assist the Contractor in developing processes to support MTF pharmacies.

C.10.2.3. The Contractor shall respond to inquiries from retail network pharmacies and MTF pharmacies 24 hours a day, 365 days a year, in accordance with the performance standards stated below.

Service Category	Standard
Telephone Answering (Initial answer)	100% within 20 seconds
Transfer to Customer Service Rep after selection by caller	30 seconds Average Speed of Answer
Telephone Call Blockage rate at any	2% or less

point	
Abandoned Call rate at any point	3% or less

The Contractor shall report MTF calls separately from those from retail pharmacies.

The Contractor shall provide reporting on all metrics (CDRL Q120).

C.10.3. Beneficiary Education

C.10.3.1. The Contractor shall propose a comprehensive beneficiary education plan to the Government, as described in TOM, Chapter 11, Section 1. Additionally, the plan shall meet the following minimum requirements:

- Establishes goals for educational plan and metrics to evaluate performance relative to these goals.
- Provides monthly updates, news articles, or items of interest to TMA BE&S as determined in the Memorandum of Understanding (MOU) described in Section C.19.3 (CDRL M070).
- Content of articles will be coordinated with TMA BE&S.
- Timing of articles to meet lead time required by BE&S production schedule.
- Articles shall be provided to COR or other designated authority for review prior to final submission.
- Includes proposal on how educational materials, letters, and other educational outreach to beneficiaries will be delivered, such as by use of email, text, mobile app or U.S. Mail.
- Includes a plan for how the Contractor willl acquire email addresses and maintain them, recognizing that any Contractor collection of email addresses must have appropriate disclaimers to advise the beneficiary of how this PII will be protected. The Contractor shall monitor undeliverable email and will not continue to send messages to known invalid email addresses. If the Contractor is notified that emails are being received by someone other than the intended recipient, the Contractor shall discontinue use of the email address until it has been verified by the beneficiary and corrected.

C.10.3.2. The Contractor shall provide input to BE&S to support the development of the content of the educational materials, including but not limited to the following:

- Develop updates and/or content for inclusion in the training manuals/curriculum for the TRICARE Fundamentals Course. These materials shall be provided in accordance with the quarterly print and posting schedule provided by TMA BE&S.
- Review and provide content and/or updates to Frequently Asked Questions on topics of interest to beneficiaries, based on beneficiary inquiries made to the call center.
- Collaborate with BE&S in the development and implementation of communication plans to support the implementation of benefit design changes and other initiatives identified by the Government.

C.10.3.3. All articles provided by the Contractor shall contain accurate, original, and publication-quality content that requires minimal editing by the Government. All articles shall be submitted to the COR or other designated authority for review and concurrence prior to distribution to internal government partners or MCSCs.

C.10.3.4. The Contractor shall attend the annual BE&S Training Conference and participate in quarterly BE&S Partnership Meetings. The conference runs approximately three days. The Contractor shall provide representation that can address all issues involving beneficiary education to include print, Web, social media, and customer service.

C.10.3.5. The Contractor shall participate, in person when applicable, in round table meetings/summits with the Government, MCSCs, and any other participants that the Government determines are necessary twice each calendar year. The round table meetings/summits requires high level managerial participation from the Contractors (CEOs, Medical Directors, Operations) and participation, in person, by the Contractor's technical and cost experts as determined by the agenda. The round table meetings/summit participants are tasked with reviewing current policies and procedures to determine where proven best practices from government and private sector operations can be implemented in the administration of TRICARE to continue TRICARE's leading role as a world-class health care delivery system.

C.10.3.6. The Contractor shall attend the annual Joint Forces Pharmacy Seminar and participate in joint educational efforts.

C.10.3.7. The Contractor shall alert the COR about news that will have impact on the beneficiary population and is likely to increase customer service or media contacts. Contractor shall answer only the media questions that specifically apply to their management of the pharmacy benefit. All questions beyond that scope will be referred to BE&S. The Contractor shall also coordinate all TRICARE-related media activities with BE&S. The Contractor shall include the COR or other designated authority on any communications with BE&S.

C.10.3.8. Use of printed materials will be limited to essential products and the Contractor shall assist the Government in identifying the most cost-effective and efficient delivery of beneficiary educational materials. The Contractor is responsible for all storage, handling and distribution of printed materials that are produced and shipped to the Contractor. The Contractor shall distribute printed materials to individuals, MTFs, Beneficiary Counseling and Assistance Coordinators (BCACS) or other entities, as requested. The Contractor shall accept and fulfill orders for printed materials from designated POCs submitted via the Contractor's link on a government website. The Contractor may request additional printed materials from the Government on a quarterly basis.

C.10.3.9. The Contractor shall accept requests from beneficiaries to opt-out of receiving educational materials by mail. The opt-out will not apply to notifications pertaining to safety and recall issues, benefit design changes (e.g., formulary changes) or the processing of specific claims or clinical reviews.

C.10.3.10. Medication Disposal

There are a number of safety concerns associated with patients having unused and expired medications in the home. The Contractor shall promote beneficiary safety by providing educational support to beneficiaries on the proper handling and disposal of unused or expired medications.

C.10.4. Mailings

C.10.4.1. On a quarterly basis, the Contractor shall mail notices to newly-eligible beneficiaries, as identified by the Government. The letter shall contain, at a minimum:

- A brief description of the TRICARE Pharmacy Benefit.
- The Contractor's contact information, including mailing address, beneficiary service telephone numbers, toll-free numbers for overseas beneficiaries, and the Contractor's e-mail addresses
- The Contractor's TPharm website address.
- Contractor supplied TMOP registration form, and postage paid return envelope.
- Information on how the beneficiary can request the TRICARE Pharmacy Handbook (Handbook) to be mailed to them and links to access these items on the Contractor's website.

C.10.4.2. The Contractor shall allow the beneficiary to request copies of the Handbook to be mailed to them. These requests shall be received by phone or by other electronic methods.

C.10.4.3. On a quarterly basis, the Contractor shall mail notices to beneficiaries who, within the past year, have received prescriptions for pharmaceutical agents that are newly-designated as (a) non-formulary; or (b) For restricted access at retail due to non-compliance with Federal Ceiling Price (FCP). These beneficiaries will be as identified by the Government. Both formulary and FCP compliance decisions are available at http://pec.ha.osd.mil/pt_minutes.php. The notices sent to beneficiaries shall explain the changes and identify formulary alternatives as well as any additional information required to ensure continuity of care. These notices shall be approved by the COR or other designated authority prior to being mailed.

C.10.4.4. At the direction of the CO, the Contractor shall mail notices to beneficiaries identified by the Government regarding changes to the prescription drug benefit or other prescription drug information. The Contractor shall ensure that these notices are mailed to beneficiaries within five (5) calendar days of receiving direction from the CO. The notice shall be approved by the COR or other designated authority prior to being mailed.

C.10.4.5. The Contractor shall monitor clinical issues and send letters to beneficiaries who have filled impacted medications at retail or mail, notifying them of these issues.

C.10.4.6. Prior to sending out any mailing under this contract, the Contractor shall utilize commercially-available mailing preparation software to scrub beneficiary mailing addresses. The Contractor shall monitor returned mail and shall not continue to send mail to beneficiaries with known bad addresses.

C.10.4.7. When a valid email address is available and the beneficiary has indicated a preference for electronic communications, the Contractor may issue any notification described under C.10.4 by email. Collection, maintenance and use of email addresses shall be in accordance with the Contractor's plan described in **Error! Reference source not found.**.

C.10.4.8. All communications with beneficiaries are subject to review by the Government upon request. The Contractor shall electronically provide the Government with copies of all mailings to be distributed to beneficiaries

C.11. Claims Reviews and Audits

C.11.1. Quality Control

C.11.1.1. The Contractor shall implement and continuously operate quality controls that comprehensively address all major functions covered under this contract, including customer service, claims processing, clinical reviews and overall data integrity. Quality controls shall also meet the requirements established in TOM, Chapter 1, Section 4 and Chapter 23, Section 4 and include the submission of any deliverables specified therein (CDRL M050 and CDRL Q180).

C.11.2. Problem Resolution and Escalation

C.11.2.1. The Contractor shall research any claim at the request of the Government. This includes but is not limited to research:

- To facilitate the Government's response to issues by and on behalf of beneficiaries

- To resolve manufacturer disputes in support of the TRICARE Retail Refunds Program
- To provide additional information on potential issues in the claims adjudication process

C.11.2.2. The Contractor shall provide an initial response to requests to research specific beneficiary issues within four (4) hours or no later than four (4) hours into the next business day. If this initial answer does not contain a complete response, the Contractor shall offer an estimated timeframe for how long it will take to fully research the issue. If further action is required to resolve the issue, the Contractor shall provide an estimated timeframe for resolution. The Contractor shall track research requests and beneficiary issues.

C.11.3. MTF Data Integrity Reviews

C.11.3.1. The Contractor shall conduct reviews of MTF pharmacy claims data and perform the following processes to identify and resolve issues specific to MTF claims. Prior to the start of pharmacy services, the TMA POC will provide training to assist the Contractor in implementing these processes.

C.11.3.2. The Government will provide an initial list of MTF pharmacy contacts. The Contractor shall update as needed and send updates to the TMA POC.

C.11.3.3. The Contractor shall provide a daily report of MTF validity rejects (CDRL D010). The reports shall be broken out by MTF and sent to the pharmacy contact at each submitting MTF. A copy of the daily report shall also be provided to the TMA POC. The MTF pharmacy will have three (3) business days to correct these claims. The MTF may reverse the claim entirely or reverse and resubmit the corrected claim. After allowing three (3) business days for the MTF to correct any errors, the Contractor shall undertake retroactive claims correction in their system to correct the remaining errors and ensure that the claims reflect a paid status. This shall be completed within two (2) business days. The Contractor shall continue to work the claim until it is posts to the profile, is reversed by the MTF, or the MTF notifies the Contractor to take no further action.

C.11.3.3.1. In the event that the Contractor's resubmission of a previously rejected MTF claim results in a DUR Interaction Severity Level 1, the Contractor shall contact the clinical staff at the submitting MTF by phone within one (1) hour. For all such situations, the Contractor shall keep a log that will be made available for the Government's review upon request. At minimum, the log shall document the identifying information of the pharmacy, prescription and beneficiary and the dates and times of the original reject, the DUR and the call communicating the safety warning to the MTF.

C.11.3.4. The Contractor shall produce a weekly report of all paid MTF claims exceeding the $2,000 pricing threshold (CDRL W020). The report shall be provided to the submitting MTF, which has seven (7) business days to correct any of these claims. After seven (7) business days, the Contractor shall review all claims in this report that have not been reversed or resubmitted by the MTF. If the Contractor determines that the price is reasonable and consistent with the MCPF and standard dose for that medication, no further action is required. For the remaining claims, the Contractor shall contact the submitting MTF to troubleshoot the claim and determine the cause of the error. The Contractor shall then correct the error on the claim.

C.11.3.5. The Contractor shall provide a Data Integrity report to the MTFs on a weekly basis (CDRL W010). This report shall include paid MTF claims which generated the following ProDUR warnings:

- High Dose Alerts- All prescriptions processed by MTF pharmacies where the prescription exceeds daily maximum allowable dosage for a medication, as determined by First Databank (FDB) The daily dosage is calculated by dividing the quantity dispensed by the days' supply.

Incorrect Quantity: Example: Asmanex package size is one, site enters 30 in the quantity field, the adjudication system will calculate 30 inhalers due to the unit of measure being ea, the price will also be calculated incorrectly based on the incorrect quantity dispensed 30x $28.84= $865.20.

- Incorrect Days Supply: Example: Site enters one day supply for Doxycyline 100mg qty 180.
- Invalid Provider

C.11.3.6. The Contractor shall also provide monthly summary reports to the Government on MTF rejections (CDRL M180), high cost claims (CDRL M220) and data integrity edits (CDRL M170), to allow the Government to monitor the reported claims and their resolution rates.

C.11.4. Audits

C.11.4.1. Any discrepancies identified by the Government in the monitoring of this contract shall be subject to Contractor desktop audits and, if necessary, on-site audits at the direction of the Government. The Contractor will perform all necessary research and will resolve all discrepancies for each claim identified within 60 days from the date of identification. The Contractor shall perform offsets or recoupments of any identified discrepancies in accordance with TOM, Chapter 10.

C.11.4.2. The Government reserves the right to direct audits of retail or mail pharmacies. In addition to any Contractor initiated on-site audits for which TRICARE is the primary focus of the audit, the Government may direct up to 50 on-site audits per option year.

C.11.4.3. The Contractor must be able to generate corrected retail transactions when the pharmacy is unable to reverse and/or edit the claims themselves. These claims must be distinguishable from pharmacy self-corrections and are not billable for additional administrative fees. These claims cannot be submitted as paper claims.

C.11.5. Program Integrity

C.11.5.1. Daily Claims Review

C.11.5.1.1. The Contractor shall perform an automated review of 100% of all new claims daily. Data analysis shall include:

- Establish baseline data to enable TRICARE to recognize unusual trends, changes in drug utilization over time, physician referral or prescription patterns, and plan formulary composition over time;
- Analyze claims data to identify potential errors, inaccurate TROOP accounting, and pharmacy billing practices and services that pose the greatest risk for potential fraud, waste and abuse to the TRICARE program;
- Identify items or services that are being over utilized;
- Identify problem areas within the plan such as enrollment, finance, or data submission;
- Identify problem areas at the pharmacy and prescriber level;
- Compare claims information against other data (e.g., prescriber, drug provided, diagnoses, or beneficiaries) to identify potential errors and/or potential fraud and abuse; and
- Use findings to determine where there is a need for a change in policy.

C.11.5.1.2. The Contractor will submit a monthly report showing audit findings, status of all claims in research, outcomes of completed research, and status of offsets or recoupments (CDRL M120).

C.11.5.2. Fraud and Abuse Monitoring

C.11.5.2.1. The Contractor shall develop a Monitoring and Auditing Work plan that meets the requirements established in TOM, Chapter 13. The plan will also include the audits described below.

- Desktop Audits
- Inappropriate billing practices. Inappropriate billing practices at the pharmacy level occur when pharmacies engage in the following:
  - Incorrectly billing for secondary payers to receive increased reimbursement.
  - Billing for NDCs that were not dispensed.
  - Billing for incorrect quantity or days supply.
  - Billing for non-existent prescriptions.
  - Billing multiple payers for the same prescriptions, except as required for coordination of benefit transactions.
  - Billing for brand when generics are dispensed.
  - Billing for prescriptions that are never picked up (i.e., not reversing claims that are processed when prescriptions are filled but never picked up).
  - Inappropriate use of DAW codes.
  - Prescription splitting to receive additional dispensing fees.
  - Drug diversion.

C.11.5.2.2. Notwithstanding TOM, Chapter 13, Section 1, Paragraph 1.4.1, as a result of its fraud and monitoring efforts, the Contractor shall refer to TMA Program Integrity a minimum of six (6) cases, Each case will involve a loss of $75,000 or greater per case to the Government without patient harm, or any case involving patient harm. The Contractor shall provide a Fraud and Abuse Summary Report on the activities outlined in this Section and TOM, Chapter 13 (CDRL Q210).

C.12. Information Technology

The Contractor shall maintain an interface control document (ICD) for all system interfaces (CDRL A090). The document shall be provided to the Government prior to the start of benchmark testing during implementation and updated as necessary to reflect any changes, including to the design of the benefit. The Contractor shall provide the Government with a current version of this document upon request.

C.12.1. Continuity of Operations Plan

The Contractor shall develop a Continuity of Operations Plan (COOP) in accordance with the TSM, Chapter 1, Section 1.1 (CDRL A050). The plan shall be written to meet all performance standards established in this contract. The COOP shall be delivered to the Government prior to the start of option period one. The plan shall be reviewed annually and an updated version provided to the Government at the start of each subsequent option period. The disaster recovery plan established in the COOP shall also be tested and results provided to the Government in accordance with the requirements established in the TSM (CDRL A060).

C.12.2. Contractor Claims Data

The Contractor shall provide the Government read-only access to the Contractor's system that stores TRICARE claims system data to facilitate government beneficiary service support, MTF pharmacies and audits. Access will be provided for up to 50 government personnel in multiple locations, as specified by the Contracting Officer, through a web-based tool beginning not later than the start of Pharmacy Services and continuing throughout contract closeout. This database is to include all claim information. The data shall include, at a minimum, PA and MN authorizations, OHI status and records, benefit restriction authorizations, documentation of beneficiary support and services, and claim details regarding prescription information, cost data, beneficiary demographics, prescriber, and dispensing pharmacy data. All data must be current, accurate, complete and accessible immediately. The Contractor shall provide training and ongoing customer support for this access. Training shall be provided as necessary to new users and when there are significant changes to the Contractor's system.

C.12.3. Military Treatment Facilities (MTF) Interface

C.12.3.1. The Contractor shall develop and maintain an interface to all MTFs. The Contractor shall connect to the DoD MHS electronic medical record, currently CHCS pharmacy/AHLTA, and any successor application(s). CHCS/AHLTA and the EPIC system that supports the US Coast Guard are medical/pharmacy information systems that automate and integrate clinical and demographic data and facilitate access to, and delivery of, health care services from an MTF. Through the Defense Information Systems Agency (DISA) Business-to-Business Gateway (B2B), the Contractor shall connect to the MTFs using a CHCS host. Each CHCS host is the computer installation running an instance of the CHCS software and may support multiple MTF pharmacies, which are generally in geographic proximity to one another. There are 107 CHCS hosts and each CHCS host aggregates transactions from its pharmacies. There are 534 MTF active dispensing locations and the Contractor shall accommodate ongoing changes to the MTF pharmacy list.

C.12.3.2. The Contractor shall complete all tasks related to the documentation and implementation of B2B telecommunications links. Tasks include:

- Coordination among the Pharmaceutical Operations Directorate (POD), Enterprise Infrastructure (EI), Defense Health Clinic Systems (DHCS), MTFs, and other contractors as required.
- Completion of all B2B required documentation.
- VPN or related equipment procurement and configuration.
- Initiation and completion of all testing and implementation activities.

C.12.3.3. Support shall include all follow-on activities including updating documentation, performing IP address changes, and executing related configuration changes. These connections shall be in place 30 days before the start of pharmacy services. These connections and any testing shall be in accordance with requirements established by DISA and EI. The Contractor shall provide ongoing monitoring of MTF connections to verify connectivity.

C.12.3.4. The Contractor shall receive dispensing transactions and profile inquiry transactions from all MTF pharmacies. The Contractor shall receive these transactions using a custom format. The Contractor shall perform ProDUR on the inbound dispensing transactions, as described in Section C.6.7. All traffic is logged and dispensing transactions are forwarded to the data warehouse. The Contractor shall also accept profile inquiries from TRICARE medical contractors through this B2B connection, in the same format as MTF inquiries.

C.12.4. Pharmacy Data Transaction Service (PDTS) – Data Warehouse Interface

C.12.4.1. The Contractor shall develop and maintain an interface to the PDTS Data Warehouse. PDTS is the comprehensive system of record for the DoD Prescription Drug Program. It contains detailed data for every transaction from all points of service, as well as extensive reference data to assist in the categorization and aggregation of drugs, beneficiaries, prescribers, pharmacies, and associated prescription costs. PDTS supports all aspects of DoD reporting requirements, data mining, ad hoc queries and research.

C.12.4.2. The Contractor shall provide a data exchange consistent with the PDTS Data Dictionary and Data Schema, to be provided to the Contractor after award. The PDTS data feed shall be capable of transmitting new and updated data. Data feeds to PDTS shall be provided on a daily basis in a format mutually agreed upon by the PDTS contractor and the TPharm contractor. The TPharm contractor shall ensure that all paid, rejected, and reversed transactions from all points of service, including direct member reimbursement claims, and their required data elements are transferred to PDTS. The content of PDTS evolves with significant changes including the implementation of new NCPDP standards and DoD Benefit Design changes. The Contractor shall coordinate such changes with the Government and the PDTS contractor and support changes in the file feed and format to support the changes.

C.12.4.3. In the event that a daily file cannot be transmitted due to system outage or other system issue, the Contractor shall work with the PDTS Contractor to ensure that the data warehouse is brought up to date as soon as possible.

C.12.4.4. In instances when the Government identifies inconsistent or missing information between the Contractor's system and PDTS, the Contractor shall correct the inconsistency, such as adding the data element to the PDTS Warehouse. The Contractor will provide a plan with a timeline in collaboration with the PDTS Contractor and provide updates until resolved.

C.12.5. Clinical Data Repository/Health Data Repository (CHDR) Interface

C.12.5.1. Background. The Clinical Data Repository/Health Data Repository (CHDR) application is a joint effort between the DVA and DoD, enabling the DVA's Health Data Repository (HDR) and the DoD's Clinical Data Repository (CDR) to exchange outpatient pharmacy and drug allergy information for shared patients.

C.12.5.2. The Contractor shall send all Retail and MOP claims adjudicated under the TRICARE Pharmacy Benefit to the CHDR. CHDR will submit transactions to the Contractor for prescriptions dispensed to dual-eligible beneficiaries at VA pharmacies.

C.12.5.3. The Contractor shall develop and maintain a real-time bidirectional interface to the CHDR via the B2B gateway. The CHDR interface uses the NCPDP 5.1 standard. The Contractor shall not generate TEDs for CHDR claims.

C.12.5.4. The Contractor shall support specific adjudication rules for incoming CHDR transactions, including the following:

- The Contractor shall not check eligibility.
- No formulary edits or PA/MN rules will be applied.
- ProDUR will utilize VA-specific definitions and messaging the advisory information will be returned to the CHDR.
- There are no data integrity edits but claims that do not satisfy data requirements (missing or invalid data) can result in a rejected claims response with corresponding NCPDP reject
- There is no coordination of benefits for these claims.

C.12.6. Theater Medical Data Store (TMDS) Interface

C.12.6.1. Background. The Theater Medical Data Store (TMDS) Automated Information System (AIS) is a services-oriented aggregation and distribution point for Theater Medical Data for Theater Medical Information Program (TMIP) family of systems. The purpose of the TMDS interface is to share outpatient prescription and pharmacy medical data stored in TMDS database with the Contractor's system on a weekly basis. The TMDS Prescription and Pharmacy data is extracted from TMDS as XML files, which are provided via secure file transfer protocol (SFTP). The TMDS SFTP server is hosted at DoD Force Health Protection & Readiness (FHP&R). The TPharm system will be provided with a SFTP username/password.

C.12.6.2. The files will contain data from two classes of source system: AHLTA-T and TC2. More information on these systems is available at http://dhims.health.mil/products/theater/ahlta-theater.aspx and http://dhims.health.mil/products/theater/tc2.aspx.

C.12.6.3. The Contractor shall develop and maintain an interface to TMDS. The Contractor shall retrieve XML data files representing TMDS claims on a weekly basis, apply business rules provided by the Government after award, and post those claims to the patient profile on the contractor's system and to PDTS.

C.12.6.3.1. The Contractor shall pre-edit the inbound data to remove duplicate claims, those already posted to the profile, and aged claims, using a parameter defined by the government based on the date dispensed, currently claims over 365 days old. The Contractor shall also generate values for fields not included in the file and modify values of existing fields to make them suitable for adjudication using the NCPDP D.0 standard. Errors that must be corrected by the Contractor prior to adjudication include:

- Missing or Invalid NDC - TMDS claims contain a free text drug name but the NDC may be missing. At the Contractor's request after award, the Government will provide a reference table to facilitate matching the drug name to the NDC, with ongoing maintenance of the table performed by the Contractor.
- Missing or Invalid DOB - Verify information using DMDC's GIQD application and correct the claim.
- Missing or Invalid Gender - Verify information using DMDC's GIQD application and correct the claim.

The Contractor shall apply their own methodology to reconcile any missing or invalid fields to allow the claim to post to the patient's profile. Upon request, the TMA POC will answer questions and provide feedback during the transition period to assist the Contractor in refining their methodology.

TMDS claims are not received in real time and have already been dispensed. Therefore, all claims must be posted to the profile, excluding duplicates and aged claims. The Contractor shall not verify eligibility. Standard edits performed as part of the adjudication process are not required and any edits the Contractor chooses to perform shall not impact the posting of the claim to the profile. The Contractor shall not reject TMDS claims. TMDS claims will also be transmitted to PDTS.

C.12.6.3.2. The Contractor shall log values that are mapped, inserted or calculated, including the original value received on the file, and make such logs available for review by the Government. The Contractor will track volumes for claims received and posted and provide reporting to the Government (CDRL M240).

C.12.7. E-Prescribing

C.12.7.1. The Contractor shall support e-prescribing for retail network and TMOP prescriptions, in accordance with commercial standards. The Contractor shall manage and publish all data files required to support commercial e-prescribing practices. At minimum, this includes updating and publishing all formularies, transmitting beneficiary plan participation and medication history and accepting electronic prescriptions at TMOP. The Contractor shall maintain all electronic formularies administered under this contract and publish updates to the commercial e-prescribing hub as required. At minimum, formularies shall be updated on a quarterly basis.

C.12.7.2. The Contractor shall maintain and update plan participation status files with the commercial e-prescribing hub. The plan participation file shall be provided for all beneficiaries covered under this contract but will be limited to the minimum data fields required by the commercial e-prescribing hub to determine the appropriate formulary. The data fields submitted to identify for TRICARE beneficiaries will be mutually determined between the Government, the Contractor and e-prescribing hub and may vary from those used by most commercial plans.

C.12.8. Website

C.12.8.1. The Contractor shall provide a Health Insurance Portability and Accountability Act (HIPAA) compliant website in support of the services provided under this contract. The website shall meet the applicable accessibility standards at 36 C.F.R. Part 1194 and shall make DS Logon available, as described in TSM, Chapter 1, Section 1.2. In addition to meeting the minimum requirements established within this contract, the Contractor shall ensure that its website and any mobile tools are consistent with commercial best practices and offer features, information, and functionality no less than those available to the Contractor's commercial clients.

C.12.8.2. At minimum, the website shall offer the following information and functions:

- Provide a description of the TRICARE Pharmacy benefit;
- Provide Contractor contact information, including phone and fax numbers, mailing, and email address(es);
- Provide an email link to allow beneficiaries or other interested parties to contact Contractor by email with inquiries or comments;
- Allow beneficiaries to register online to use TMOP and shall provide downloadable forms for TMOP registration and prescription ordering;
- Allow TRICARE beneficiaries to manage their TMOP account(s) to include order refills, track their prescription status, pend prescriptions, view, release for shipping or cancel existing pended prescriptions, and update shipping address;
- Show the current status of all prescriptions or claims submitted;
- Allow TRICARE beneficiaries to check the status of member submitted (DMR) claims filed for services provided through a retail pharmacy;
- Provide the ability to locate TRICARE retail network pharmacies by zip code;
- Provide the ability to view and download any prior authorization and medical necessity forms and criteria;
- Allow TRICARE beneficiaries to download and print an EOB detailing the beneficiary's retail, mail order, specialty and MTF prescription activity in accordance with the TOM, Chapters 8 and 23, providing prescription activity for the preceding 18 months at a minimum;
- Provide a link to the TMA website to allow beneficiaries to download and print the DD2642 claim form.

- Provide links to online drug and health information;
- Provide links to the TMA pharmacy website and Regional MCSCs' websites; and
- Provide a real-time web-based formulary search tool as described in C.12.8.5.

C.12.8.3. The Contractor shall not duplicate benefit information on the Contractor's website that already exists on TRICARE.mil and will embed links throughout their site to take beneficiaries back to the TRICARE.mil website for this content. The Contractor shall work closely with BE&S to identify appropriate linkages and content for use on their site.

C.12.8.4. Any information or resources not containing any information covered by Privacy or HIPAA regulations shall be accessible without requiring an account registration or login.

C.12.8.5. Formulary Search Tool

C.12.8.6. The Contractor shall provide a real-time web based formulary search tool available for public access to formulary information. This tool shall:

- Identify drug (generic or brand) name, strength and formulation;
- Allow searches by generic and brand name;
- Show formulary status based on Uniform Formulary and MTF Basic Core Formulary (BCF), availability, and copayment;
- Show any restrictions, including but not limited to generic required, gender, age and quantity limits, prior authorization, medical necessity or step therapy. ;
- Provide links to any forms associated with the above restrictions;
- Have the ability to show special messaging as provided by the Government, at least 300 characters in length;
- List formulary alternatives based on PEC Classes/subclasses;
- Provide all information listed here based on point of service (MTF, Mail or Retail) and beneficiary category; and
- Be accessible to the public without requiring registration or login.

C.12.8.7. The formulary search tool shall be designed to be easily used and understood by the beneficiary. The Contractor shall update the tool to reflect benefit design changes immediately on their effective date.

C.12.9. Data Sharing

C.12.9.1. At the Government's direction, the Contractor shall provide data to and accept data from the MCSC and the Government. The Contractor shall also collaborate with the MCSCs and the Government in evaluating cost and clinical effectiveness of specific aspects of the pharmacy benefit, including but not limited to the specialty drug and home infusion therapy programs. The Contractor shall also support profile inquiries from the MCSCs. The profile inquiry will be in the same format as those used by the MTFs (See C.6.7).

C.13. Information Assurance

C.13.1. The Contractor shall implement and maintain Information Assurance (IA) in its project, enterprise, or company-wide unclassified information technology system(s) in accordance with the requirements set forth in DoDI 8582.01, Security of Unclassified DoD Information on Non-DoD Information Systems, July 31, 2009. The Contractor shall, at a minimum, comply with the specified

National Institute of Standards and Technology (NIST) Special Publication (SP) 800–53 security controls. If a control is not implemented, the Contractor shall prepare a written determination that explains how either the required security control is not applicable or how an alternative control or protective measure is used to achieve equivalent protection.

C.13.2. The Contractor shall self-certify compliance with NIST standards, thereby accepting sole responsibility for the risk(s) associated with developing and maintaining its IA readiness posture. In connection with the Enhanced Safeguarding requirements, the Contractor shall submit completed (initial, interim and annual) checklist and certification, using the *Checklist and Certification for Minimum Level of Enhanced Safeguarding for Unclassified DoD Information* (CDRL A070).

C.13.3. References:

- 48 FR 38089 - 38095 / Vol. 76, No. 125 / Wednesday, June 29, 2011
- DoDD 5230.09, "Clearance of DoD Information for Public Release," August 22, 2008
- DoDI 8582.01, "Security of Unclassified Department of Defense (DoD) Information on Non-DoD Information Systems," June 6, 2012
- NIST SP 800-53, Rev. 3, "Recommended Security Controls for Federal Information Systems and Organizations," August 25, 2011
- NIST Special Publication (SP) 800-53A, Revision (Rev.) 1, "Guide for Assessing the Security Controls in Federal Information Systems," July 25, 2011

C.14. Privacy & HIPAA

C.14.1. The Contractor shall ensure that it does not use or disclose PHI or PII received for DVA or DoD beneficiaries in any way that will remove or transfer the PHI/PII from a jurisdiction subject to the laws of the United States. The Contractor shall not release Government data without approval by the CO or COR.

C.14.2. The Contractor shall ensure that all electronic transactions comply with HIPAA rules and regulations and TMA requirements in the TSM, Chapter 1, Section 1.1,,, and TOM, Chapter 19.

C.14.3. Pursuant to FAR Part 24, the requirements of the Privacy Act (5 U.S.C. 552a) and the Department of Defense Privacy Program (DoD 5400.11-R) are applicable to this contract and the systems of records operated and maintained by the Contractor on behalf of TMA. These systems of records are found at 65 Federal Register 30966 (Health Benefits Authorization Files, Medical/Dental Care and Claims Inquiry Files, Medical/Dental Claim History Files), 60 Federal Register 43775 (USTF Managed Care System), 69 Federal Register 50171 and 71 Federal Register 16127 (Military Health Information System), and 64 FR 22837 (Health Affairs Survey Data Base). The records systems operated and maintained by TMA contractors are records systems operated and maintained by a DoD Component TMA). (See TOM 6010.56-M, Chapter 1, Section 5, Chapter 2, Section 1, and Chapter 2, Section 2).

C.14.4. The Contractor shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements, specifically the administrative simplification provisions of the law and the associated rules and regulations published by the Secretary, Health and Human Services (HHS), the DoD Health Information Privacy Regulation (DoD 6025.18- R) the Health Insurance Portability and Accountability Act Security Compliance Memorandum (HA Policy 06-010), the Security Standards for the Protection of Electronic Protected Health Information and the requirements in TOM, Chapter 19, and TSM, Chapter 1, Section 1.1.

C.14.5. Health Insurance Portability and Accountability Act (HIPAA)

C.14.5.1. The Contractor shall comply with all requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Pub. L. 104-191), as implemented by the HIPAA Privacy and Security Rules codified at 45 C.F.R. 160 and 164, and as further implemented within the Military Health System (MHS) by DoD 6025.18-R, "DoD Health Information Privacy Regulation," January 24, 2003, and DoD 8580.02-R, "DoD Health Information Security Regulation, July 12, 2007.

C.14.6. Breach Response

C.14.6.1. The Contractor shall adhere to the reporting and response requirements set forth in the Office of the Secretary of Defense (OSD) Memorandum 1504-07, "Safeguarding Against and Responding to the Breach of Personally Identifiable Information," June 5, 2009 and DoD 5400.11-R, "Department of Defense Privacy Program," May 14, 2007. Within one (1) hour of discovery of a confirmed breach, the breach must be reported to the US Computer Emergency Readiness Team (US CERT) at https://forms.us-cert.gov/report/ and to the TMA Privacy Office at PrivacyOfficerMail@tma.osd.mil. A confirmed breach exists after sufficient facts are present to prompt a prudent person to conclude that a breach has occurred. The Contractor shall provide a summary report detailing confirmed breaches to the Government (CDRL M040).

C.14.7. Systems of Records

C.14.7.1. In order to meet the requirements of 5 U.S.C. 552a, the Privacy Act of 1974, and its implementation within the MHS under DoD 5400.11-R, " DoD Privacy Program," May 14, 2007, contractors must identify to the COR systems of records that are maintained or operated for TMA where records of PII collected from individuals are maintained and specifically retrieved using a personal identifier. Upon identification of such systems to the COR, and prior to the lawful operation of such systems, contractors must coordinate with the TMA Privacy Office at SORmail@tma.osd.mil to complete systems of records notices (SORNs) for submission and publication in the Federal Register as coordinated by the Defense Privacy Office, and as required by DoD 5400.11-R.

C.14.7.2. Following proper SORN publication and the Government's confirmation of contractor authority to operate the applicable system(s), contractors must also comply with the additional systems of records and SORN guidance, in coordination with the TMA Privacy Office, regarding periodic system review, amendments, alterations, or deletions set forth by DoD 5400.11-R, Office of Management and Budget (OMB) Memorandum 99-05, Attachment B, and OMB Circular A-130.

C.14.8. Privacy Impact Assessment (PIA)

C.14.8.1. The Contractor shall provide for the completion of a Privacy Impact Assessment (PIA) for any applicable systems that collect, maintain, use or disseminate PII or PHI about members of the public, federal personnel, contractors, or in some cases foreign nationals.

C.14.8.2. To begin the PIA process, contractors are responsible for the completion of the PIA Determination Checklist. This Checklist provides basic system information to the TMA Privacy Office and ensures that the appropriate decision concerning PIA requirements is made. The Checklist can be downloaded from http://www.tricare.mil/tma/privacy/downloads/2010513/TMAPIADeterminationChecklist.pdf.

C.14.8.3. Contractors are responsible for the employment of practices that satisfy the requirements and regulations of: Section 208 of E-Government (E-Gov) Act of 2002, (Pub. L. 107-347); DoDI 5400.16,

"DoD Privacy Impact Assessment (PIA) Guidance," February 12, 2009; and, Office of Management and Budget (OMB) Memorandum 03-22, "OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002," September 26, 2003. When completing a PIA, the Contractor is responsible for using the DoD-approved PIA Template, DD Form 2930, available at http://www.dtic.mil/whs/directives/infomgt/forms/eforms/dd2930.pdf

C.14.8.4. Completed PIA Determination Checklists and DD Form 2930s will be sent to the TMA Privacy Office at piamail@tma.osd.mil.

C.14.9. Data Use Agreement (DUA)

C.14.9.1. A Data Use Agreement (DUA) is currently used to request and control the disclosure, use, storage and/or destruction of MHS data that is owned and/or managed by TMA to ensure that applicable privacy and security requirements are followed. In addition, research requests for MHS data that include PHI must be reviewed for HIPAA compliance by the TMA Privacy Board.

C.14.9.2. Under DoD 6025.18-R, "DoD Health Information Privacy Program," January 24, 2003, reasonable steps must be taken to implement appropriate procedural, administrative, technical and physical safeguards to prevent the unauthorized use and/or disclosure of any PII or PHI. Likewise, all uses, disclosures, and destruction of PII and PHI data are generally subject to DoD 5400.11-R, "DoD Privacy Program," May 14, 2007, as well as DoDI 8500.2, "Information Assurance (IA) Implementation," Feb. 6, 2003, and DoD 8580.02-R, "DoD Health Information Security Regulation," July 12, 2007.

C.14.9.3. To begin the DUA request process, the Contractor should choose the applicable request template at http://www.tricare.mil/tma/privacy/Templates.aspx, or should contact DUAmail@tma.osd.mil. After receiving DUA approval, anyone needing access to information system applications or data sources must contact the responsible system program office. DUAs are active for one (1) year, or until the end of the current option year, whichever comes first. If the DUA will not be renewed, the TMA Contractor must provide a Certificate of Data Destruction (CDD) to the TMA Privacy Office.

C.14.10. Privacy Act and HIPAA Training

C.14.10.1. The Contractor shall ensure that all staff including subcontractors and consultants that have access to PII or PHI under this contract comply with the training requirements of the Privacy Act of 1974 (5 U.S.C. 552a) and Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Pub. L. 104-191). The training requirements are mandated by OSD Memorandum 15041-07, "Safeguarding Against and Responding to the Breach of Personally Identifiable Information": DoD 6025.18-R, "DoD Health Information Privacy Regulation", January 24, 2003; and the TMA Workforce Training Policy Memorandum, dated May 28, 2008, on the subject, "Workforce Training Policy Pursuant to the Department of Defense Privacy Act Regulations and the Department of Defense Health Insurance Portability and Accountability Act Privacy and Security Regulations".

C.14.10.2. The Contractor shall ensure that all staff including subcontractors and consultants that have access to PII or PHI under this contract shall complete Privacy Act and HIPAA training within 30 days of hire and annually thereafter. All required Privacy Act and HIPAA training will be conducted online through Military Health System Learn (MHS Learn) at https://mhslearn.csd.disa.mil or the current TMA learning management system (LMS) in place to deliver training to meet the above requirements.

C.14.11. Records Management

C.14.11.1. When creating and maintaining official government records, the Contractor shall comply with TOM, Chapter 2.

C.14.12. Freedom of Information Act (FOIA) Requests

C.14.12.1. In the event the Contractor receives a FOIA request, the Contractor shall return it to the requestor for submission to the TMA FOIA officer at the following address: TMA, Attention: FOIA Officer, 16401 East Centretech Parkway, Aurora, CO 80011-9066.

C.15. Financial

C.15.1. Recoupments

C.15.1.1. The Contractor shall recoup Government funds and funds not properly collected at the time the prescription was dispensed in accordance with TOM, Chapter 10. Prescriptions subject to recoupment may be identified by the Government, or by the Contractor though its audit procedures. This does not apply to the collection of debts resulting from the Contractor granting credit to beneficiaries under Section C.7.2.3. Such debts are not owed to the Government. Therefore, the Contractor's collection of unpaid copayments is at the Contractor's own risk utilizing practices separate and apart from any recoupment procedures under this contract.

C.15.2. TED Submittal and Requirements

C.15.2.1. The Contractor shall submit a TED record for each prescription processed to completion and each completed Clinical Review, in accordance with TSM, Chapter 2, and the TOM, Chapter 1. MTF claims (See C.6.7) and rejected electronic claims are excluded. Adjustments, cancellations, or corrections to TED records shall be made as required to ensure financial transactions are complete and correctly recorded in TED records by fiscal year and by bank account (i.e., Medicare Dual eligible or TRICARE only). The Contractor must be able to adjust prior Contractors' TEDs as necessary. Adjustments made to TED records must not create any inaccuracies in the clinical record.

C.15.2.2. For electronic retail claims, the Contractor may hold the TED for 10 days to allow for reversals of non-complaint prescriptions (C.6.3.6). Claims reversed or cancelled within the 10 day hold period do not require a TED. Reversals processed after the date the TED was submitted will require an adjusted or cancelled TED record. All other claims must submit TEDs in accordance the TOM, Chapter 1.

C.15.2.3. The accuracy rate for TED edits shall not be less than:

- 95% after six (6) months of performance during the first option period; and
- 99% after nine (9) months and thereafter during the entire term of the contract.

The Contractor shall provide reporting to the Government on TEDs processed for all relevant CLINs (CDRL Q160).

C.16. Management

C.16.1.1. The Contractor shall ensure that its staff and subcontractors (if any) are thoroughly trained and knowledgeable regarding the requirements of this contract.

C.16.1.2. The Contractor shall provide to the CO an updated management organization chart identifying key personnel at the post-award conference and at the time of any change of key personnel or management structure.

C.16.1.3. The Contractor shall monitor and log operational issues and provide updates of this log for recurring meetings with the Government (CDRL R020).

C.16.1.4. Contractor Manpower Reporting.

The Contractor shall report all Contractor labor hours (including subcontractor labor hours) required for performance of services provided under this contract via a secure data collection site. The Contractor is required to completely fill in all required data fields using the following web address: http://www.ecmra.mil/.

Reporting inputs will be for the labor executed during the period of performance during each government fiscal year (FY), which runs October 1 through September 30. While inputs may be reported any time during the FY, all data shall be reported no later than October 31 of each calendar year, beginning with 2013. Contractors may direct questions to the help desk at help desk at: http://www.ecmra.mil/.http://www.ecmra.mil/

C.17. Clinical Support

C.17.1. Clinical Support Agreements (CSAs) may be used to optimize MTF pharmacies, as described in TOM, Chapter 15, Section 3. The Contracting Officer will incorporate CSAs via bilateral task order.

C.18. Ad Hoc Reporting

C.18.1. At the request of the Government, the Contractor shall provide additional reports to support benefit design review and evaluation. The Contractor shall deliver these results in the format and method specified by the Government (CDRL R030).

C.19. Contract Transition

C.19.1. Phase-In

C.19.1.1. Contract phase-in shall be conducted in accordance with the TOM, Chapter 23 and the following.

C.19.1.2. The Contractor shall complete all phase-in efforts in accordance with the phase-in Transition Plan (CDRL T020), and be prepared to begin delivery of services in accordance with Schedule B of this contract. Phase-in efforts shall be completed prior to the applicable start of pharmacy services under this contact and shall include:

- Connectivity to all required government systems.
- Complete testing and certification that development is complete and systems are functional for successful interaction with the all required government systems.

- Successful completion of integration, benchmark and stress testing for all systems. Initial testing shall include but is not limited to all required financial transactions such as tracking transactions by fiscal year, voided, stale-dated or reissued checks, adjustment and cancellation TEDs, and recording and reporting collections. Significant issues experienced in testing may require that the Contractor repeat the tests to confirm that the appropriate corrections are in place. Exit criteria will be determined by the Government. The COR or other designated authority will certify the successful completion of integration, stress, and benchmark testing.
- Benchmark TED submissions are due no later than seven (7) calendar days following the last day of benchmark testing.
- Provide a demonstration to the Government of web-based services and applications, no later than 15 days prior to the start of pharmacy services.
- Submit proposed Public Notification/Congressional Mailing to TMA for review no later than 90 days prior to the start of pharmacy services.
- Submit a Freedom of Information Act releasable contract (CDRL T010).
- Submit Phase-In Transition Status Reports (CDRL T030).
- Submit baseline listing of multi-source generic and branded products, as described in C.7.13.1.
- Present Contractor-developed criteria for Brand Over Generic overrides, as described in C.9.1.11.

C.19.1.3. The Contractor shall arrange/attend meetings with the Government and/or external agencies in support of all requirements under this contract, including the establishment of all systems interfaces necessary to meet the requirements of the contract including but not limited to PDTS, DEERS, TMA/TEDS, MTFs, TMDS and CHDR. This will include integration testing meetings on each business day during phase-in or as otherwise directed by the Government, beginning at a date determined by the Government.

C.19.1.4. Run-off for all processes not occurring in real-time, including but not limited to clinical reviews, paper claims, mail order prescription processing and beneficiary correspondence will occur on a date determined at the Transition meeting between the incoming and outgoing Contractors and the Government representatives.

C.19.1.5. The Contractor shall retain and use the TRICARE Encounter Provider record (TEPRV) provider numbers previously established by the outgoing Contractor for all TED submissions (TSM, Chapter 2, Section 1.2).

C.19.2. Phase-In Mailings

C.19.2.1. The Contractor shall, in coordination with the outgoing Contractor, identify beneficiaries who, during the six (6) months prior to the letter mailing date, used pharmacies that are not in the Contractor's pharmacy network. The incoming Contractor will inform these beneficiaries by letter that the pharmacy they previously used is no longer in the retail pharmacy network, and provide information that enables the beneficiary to identify network pharmacies. This letter will be mailed so that beneficiaries will receive it 30 to 40 days prior to the start of pharmacy services.

C.19.2.2. . The Contractor shall mail notices to beneficiaries who have filled prescriptions at TMOP or a retail pharmacy, during the six (6) months prior to the mailing date. The letter shall include, at minimum, the items referenced in C.10.4.1.

C.19.2.3. At the direction of the Government, the incoming Contractor shall mail letters to beneficiaries identified by the Government to communicate changes to the benefit during contract phase-in.

C.19.3. MOUs

C.19.3.1. The incoming Contractor shall establish MOUs with TMA partners at the direction of the Government, or as the Contractor otherwise deems necessary in order to meet the requirements of the contract, including necessary cooperation, system interfaces, exchange of information, and points of contacts for such things as program integrity issues, case management (including coordination of care for patients who receive specialty pharmacy or home infusion services), third-party liability and claims jurisdiction issues. All MOUs are subject to annual review and update, as required, by the Contractor. At minimum, the Contractor shall establish MOU with the following:

- TMA BE&S (CDRL A030)
- TMA MCSCs (CDRLs A020, A021 and A022)
- TMA Claims Review Contractor
- Outgoing Pharmacy Contractor (As needed)
- PDTS Contractor (CDRL A010)

C.19.4. Claims Data Files

C.19.4.1. The Contractor shall process transactions accurately and timely per contract standards at the start of pharmacy services, so the Contractor shall load all necessary information into its system before conclusion of the phase-in period.

C.19.4.2. The Contractor is responsible to receive the data files cited in C.4.10 in a manner that is mutually agreeable with the prior contractors. Once received, the Contractor shall maintain the OHI files at that point forward.

C.19.5. Contract Phase-Out

C.19.5.1. The Contractor shall complete contract phase-out in accordance with the TOM, Chapter 23, and the following.

C.19.5.2. Upon award of any subsequent contract, the Contractor shall support transition activities to the incoming Contractor with minimal disruption of services to the beneficiaries. The Contractor shall submit a Phase-Out Transition Plan (CDRL T040) and regular status reports (CDRL T050). The Contractor shall maintain sufficient qualified staff to meet all requirements of the contract, including beneficiary services and final processing of all pending claims including TED reporting requirements. Phase-out activities will be coordinated through the Contracting Officer. The outgoing incumbent Contractor shall send a notice to all eligible beneficiaries who have used pharmacy services in the previous 12 months. The notice will provide the new Contractor's information and points of contact (mailing addresses, email addresses, and phone numbers). The notice shall be sent not earlier than 95 days or later than 90 calendar days prior to the end of the last option period of this contract. The Contracting Officer shall provide the new Contractor's information and points of contact to the outgoing Contractor at least 120 calendar days prior to the end of the final option period of this contract.

(End of Section C)

52.242-15 Stop-Work Order (AUG 1989)

F.1. Period of Performance

F.1.1. Base Period is no more than one year and will begin on the date of award. The Contractor shall begin contract phase-in activities and complete specific activities by the timelines specified in the TRICARE Operations Manual (TOM) Chapter 23, Section 5. The Contractor shall also complete contract phase-in activities by the date specified in the Contractor's phase-in transition plan.

In the event there is a conflict or overlap of dates/timelines between this contract and the Contractor's phase-in transition plan, the dates/timelines specified in this contract take precedence. The Contractor shall make every effort to co-ordinate the dates accordingly and shall promptly notify the Contracting Officer and Contracting Officer's Representative if a conflict of dates arises between the contract Schedule, the TOM, or any CDRL requirements.

F.1.2. Option periods 1 through 7 will be 12 months each beginning on the next calendar day following the base period or completed option period, if exercised. The option periods identified herein are hereby defined as the period in which pharmacy services will be delivered to TRICARE beneficiaries. The start of pharmacy services delivery is the first day of option period 1. In order to meet the requirements of the contract for pharmacy services delivery for a given period, the Contractor will be performing incidental administrative tasks associated with the given pharmacy service delivery period beyond that period.

F.1.3. In the event that services under this contract are (or scheduled) to be discontinued, a contract phase-out period will be exercised during any of the pharmacy services delivery periods. The Contractor will begin contract phase-out activities upon exercise of the contract phase-out Contract Line Item Number (CLIN) and complete within the timelines as specified in TOM Chapter 1, Section 7. All contract phase-out activities shall be accomplished no later than 270 days after the start of pharmacy services delivery by the incoming Contractor(s).

F.2. Reports and Plans - Contract Data Requirements List (CDRL)

The Contractor shall electronically submit all CDRL items in accordance with each CDRL, Exhibit A to Section B of this contract. The Contractor shall submit all CDRL Items in the specified format using Microsoft Office Excel, Word, PDF, or other specified software. If no format is specified, the Contractor may use its own format. Unless otherwise specified in this section, all CDRL items shall be submitted to the Government via the E-commerce Extranet (https://tma-ecomextranet.ha.osd.mil/logon/logon.cfm). (See TOM, Chapter 14, Section 2, for report submission requirements.)

F.2.1. The following reporting requirements apply as specified by the related letter designator in block 16 on each CDRL,DD form 1423-1.

A. Reports shall be submitted through the e-Commerce Extranet into the appropriate slot by the specified due date located in each CDRL.
B. Reports containing PII or PHI shall be submitted through the E-commerce Extranet into appropriate slot that has been designated for PHI/PII.
C. Large data files shall be uploaded to the secure FTP server provided by the Government.
D. In the event that the specified due date does not fall on a business day, the report shall be submitted on the first business day following the due date.

E. Reports shall contain sufficient data to allow the Government to calculate percentages independently. Reported percentages shall be rounded to two decimal places.

F.2.2. For all metrics reported in this contract, the Contractor shall provide numbers to the hundredths (two decimals).

F.2.3. The Contractor is accountable for assuring that reports contain accurate and complete data. Upon identification of any errors following initial submission, the Contractor shall notify the Government and provide updated corrected reports as soon as possible. The Contractor shall identify to the Government upon discovery the specific data to be corrected and provide an explanation for the initial error. The Contractor shall prepare written procedures describing the source of information as well as the specific steps followed in the collection and preparation of data for each report. All reports must be accompanied with data, documentation and audit trails sufficient to support and validate the reported information. The reports shall be titled as listed. The Contractor shall submit a negative report if there is no data to report.

F.2.4. The following is a list of the CDRLs the Contractor is required to complete and submit in accordance with the above, provided in Exhibit A to Section B of this contract.

D010	MTF Reject Detail Reports
D020	Retail Pharmacy Claims (RPC) Data Requirements
D030	Contractor Payment – Check Issue Data
W010	MTF Data Integrity Report
W020	MTF High Cost Claim Report
M010	Network Pharmacy Report
M020	Network Access Report
M030	Pharmacy Claims Processing System Availability Report
M040	HIPAA Privacy Disclosure Report
M050	Supervisory Review Report
M060	Deployment Prescription Program Report
M070	Educational Update Report
M080	Priority Correspondence Report
M090	Call Center Top Issues Report
M100	TPharm Metric Summary Report
M110	MTF to TMOP Transfer Report
M120	Pharmacy Claims Audit Report
M130	Bank Account Reconciliation Report
M140	Accounts Receivable Reports
M150	Bank Cleared Payment Reports
M160	Bank Account Statement
M170	MTF Data Integrity Summary Report
M180	MTF Reject Summary Report
M190	Mail Order Reconciliation Report
M200	Mail Order Replenishment Reconciliation Report – Claims Level Data File
M210	Mail Order Replenishment Reconciliation Report – NDC Level Data File
M220	MTF High Cost Claim Summary
M230	Plan Cost Report
M240	TMDS Claims Volume
M250	TFL Pharmacy Pilot Summary and Savings Report
M260	TFL Pharmacy Pilot Override Report
M270	TFL Pharmacy Pilot Opt-Out Report

Q010	Paper Claims Aging Report
Q020	Denied/Appealed Paper Claims Report
Q030	Mail Order Pharmacy Prescription Report
Q040	Mail Order Pharmacy Reship Report
Q050	Quality Control Report
Q060	Specialty Pharmacy Services Report
Q070	Call Center Utilizers Data File
Q080	Mail Order Pharmacy Utilizers File
Q090	Clinical and Admin Review Report
Q100	Prescription Restriction Program Report
Q110	Beneficiary Services Report
Q120	Pharmacy Help Desk Report
Q130	EOB Report
Q140	Retail Prescription Transfer Report
Q150	Mail Order Pharmacy Partial Fill Report
Q160	TED Summary Report
Q170	CHCBP Monitoring Report
Q180	Quality of Adjudication Audit Report
Q190	OHI Development Report
Q200	Plan Costs vs Commercial Plans
Q210	Fraud and Abuse Summary Report
Q220	Step Therapy Enhancements
A010	MOU with PDTS
A020	MOU with MCSC for North Region
A021	MOU with MCSC for South Region
A022	MOU with MCSC for West Region
A030	MOU with TMA Beneficiary Education and Support Division (BE&S)
A040	Statement on Standards for Attestation Engagements (SSAE No. 16)
A050	Continuity of Operations Plan
A060	Disaster Recovery Test Results
A070	Enhanced Safeguarding Information Requirements
A080	TPharm Payer Sheet
A090	Interface Control Document
A100	FOIA Releasable Contract
R010	Pharmacy Change Monitoring Report
R020	Operations Issue Log
R030	Ad Hoc Management Reports
T010	Phase-In Transition Plan
T020	Phase-In Transition Status Report
T030	Phase-Out Transition Plan
T040	Phase-Out Transition Status Report

(End of Section F)

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): http://www.arnet.gov/; http://farsite.hill.af.mil/; or http://www.acq.osd.mil/dpap/dars/dfars/index.htm

(End of Clause)

52.202-1 DEFINITIONS (JAN 2012)
(Reference 2.201)

52.203-3 GRATUITIES (APR 1984)
(Reference 3.202)

52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)
(Reference 3.404)

52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
(Reference 3.503-2)

52.203-7 ANTI-KICKBACK PROCEDURES (OCT 2010)
(Reference 3.502-3)

52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
(Reference 3.104-9)

52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
(Reference 3.104-9)

52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OCT 2010)
(Reference 3.808)

52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (APR 2010)
(Reference 3.1004)

52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON POSTCONSUMER FIBER CONTENT PAPER (MAY 2011)
(Reference 4.303)

52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011)
(Reference 4.1303)

52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (JUN 2013)
(Reference 4.1500)

52.204-13 CENTRAL CONTRACTOR REGISTRATION MAINTENANCE (DEC 2012)
(Reference 4.1500)

52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (DEC 2010)
(Reference 9.409)

52.209-9 UPDATE TO PUBLICALLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS (FEB 2012)
(Reference 9.1047)

52.210.1 MARKET RESEARCH (APR 2011)
(Reference 10.003)

52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (APR 2008)
(Reference 11.604)

52.215-2 AUDIT AND RECORDS, NEGOTIATION, Alt I (MAR 2009)
(Reference 15.209)

52.215-8 ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT (OCT 1997)
(Reference 15.209)

52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA--MODIFICATIONS (AUG 2011)
(Reference 15.408)

52.215-13 SUBCONTRACTOR COST OR PRICING DATA--MODIFICATIONS (OCT 2010)
(Reference 15.408)

52.215-14 INTEGRITY OF UNIT PRICES (OCT 2010)
(Reference 15.408)

52.215-15 PENSION ADJUSTMENTS AND ASSET REVISIONS (OCT 2010)
(Reference 15.408)

52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (JUL 2005)
(Reference 15.408)

52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)
(Reference 15.408)

52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA – MODIFICATIONS (OCT 2010)
(Reference 15.408)

52.216-18 ORDERING (OCT 1995)
(Reference 16.506)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued option periods one through seven.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

52.216-19 ORDER LIMITATIONS (OCT 1995)
(Reference 16.506)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than $1 each per contract line item, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor -

(1) Any order for a single item in excess of the following quantities:

Retail, Electronic Claims (TRICARE Only & Dual-Eligibles)	93,564,000
Retail, Paper Claims (TRICARE Only & Dual-Eligibles)	1,165,000
MTF Adjutication	93,315,000
MOP Prescriptions (TRICARE Only & Dual-Eligibles)	36,493,000
MOP Specialty Clinical Svcs (TRICARE Only & Dual-Eligibles)	57,000
Clinical Services (TRICARE Only & Dual-Eligibles)	580,000
Paper Explanation of Benefit (EOB)	6,000,000
Govt Directed Mailings	1,200,000

(2) Any order for a combination of items in excess of quantity listed in (1) above; or

(3) A series of orders from the same ordering office within 30 days that together call for quantities exceeding the limitation in subparagraph (b)(1) or (2) of this section.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within three days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

52.216-21 REQUIREMENTS (OCT 1995)
(Reference 16.506)

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. Subject to any limitations in the Order Limitations clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the Ordering clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(c) Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.

(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

(e) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(f) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after [October 31, 2021].

(End of clause)

52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)
(Reference 17.208)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within [90 calendar days of contract expiration].

52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)
(Reference 17.208)

(a) The Government may extend the term of this contract by written notice to the Contractor within [30 days before the contract expires]; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least [60] days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed [8 Years, 6 Months]

(End of clause)

52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (JAN 2011)
(Reference 19.708)

52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN – Alternate II (OCT 2001)
(Reference 19.708)

SMALL BUSINESS SUBCONTRACTING PLAN
(DEVIATION 2013-00014) (AUG 2013)

(l) *****

(1) ***

(2) SSR.

(i) Reports submitted under individual contract plans***

(C) If a prime contractor and/or subcontractor is performing work for more than one executive agency, a separate report shall be submitted to each executive agency covering only that agency's contracts, provided at least one of that agency's contracts is over $650,000 (over $1.5 million for construction of a public facility) and contains a subcontracting plan. For DoD, a consolidated report shall be submitted for all contracts awarded by military departments/agencies and/or subcontracts awarded by DoD prime Contractors.

(D) The consolidated SSR shall be submitted annually for the twelve month period ending September 30. The report is due 30 days after the close of the reporting period.

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52.219-16 LIQUIDATED DAMAGES--SUBCONTRACTING PLAN (JAN 1999)
(Reference 19.708)

52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)
(Reference 22.103-5)

52.222-3 CONVICT LABOR (JUN 2003)
(Reference 22.202)

FAR 52.222-17 NON-DISPLACEMENT OF QUALIFIED WORKERS UNDER SERVICE CONTRACTS (JAN 2013)
(Reference 22.1207)

52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)
(Reference 22.810)

52.222-26 EQUAL OPPORTUNITY (MAR 2007)
(Reference 22.810)

52.222-35 EQUAL OPPORTUNITY FOR VETERANS. [SEP 2010]
(Reference 22.1310)

52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (OCT 2010)
(Reference 22.1408)

52.222-37 EMPLOYMENT REPORTS ON VETERANS (SEP 2010)
(Reference 22.1310)

FAR 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010)
(Reference 22.1605)

52.222-41 SERVICE CONTRACT ACT OF 1965 (NOV 2007)
(Reference 22.1006)

52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)
(Reference 22.1006)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

This Statement is for Information Only: It is not a Wage Determination

Employee Class	Monetary Wage -- Fringe Benefits (Range)
Mail Clerk/Mail Assistant	$ 11.75 per hour $6.375 - $12.260
Data Entry Operator	$ 11.75 per hour $6.375 - $12.260
Claims Assistant	$ 13.14 per hour $7.130 - $13.710
Administrative Assistant	$ 16.10 per hour $8.733 - $16.744
Administrative Coordinator	$ 16.10 per hour $8.733 - $16.744
Data Entry Clerk	$ 9.59 per hour $5.250 - $10.110
Financial Technician	$ 14.39 per hour $7.806 - $14.965
Customer Service Associate	$ 17.95 per hour $9.737 - $18.668
Communication Coordinator	$ 24.40 per hour $13.236 - $25.376

52.222-43 FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT--PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS) (SEP 2009)
(Reference 22.1006)

52.222-49 SERVICE CONTRACT ACT--PLACE OF PERFORMANCE UNKNOWN (MAY 1989)
(Reference 22.1006(f))

(a) This contract is subject to the Service Contract Act, and the place of performance was unknown when the solicitation was issued. In addition to places or areas identified in wage determinations, if any,

attached to the solicitation, wage determinations have also been requested for the following: "NONE" The Contracting Officer will request wage determinations for additional places or areas of performance if asked to do so in writing by "not later than 20 calendar days after Solicitation "Date Issued" (see SF-33, Block 5). "

(b) Offerors who intend to perform in a place or area of performance for which a wage determination has not been attached or requested may nevertheless submit bids or proposals. However, a wage determination shall be requested and incorporated in the resultant contract retroactive to the date of contract award, and there shall be no adjustment in the contract price.

(End of Clause)

52.222-50 COMBATING TRAFFICKING IN PERSONS (FEB 2009)
(Reference 22.1705)

52.222-54 EMPLOYEE ELIGIBILITY VERIFICATION (JUL 2012)
(Reference 22.1803)

52.223-6 DRUG-FREE WORKPLACE (MAY 2001)
(Reference 23.505)

52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING (AUG 2011)
(Reference 23.1102)

52.224-1 PRIVACY ACT NOTIFICATION (APR 1984)
(Reference 24.104)

52.224-2 PRIVACY ACT (APR 1984)
(Reference 24.104)

52.225-3 BUY AMERICAN ACT – FREE TRADE AGREEMENT – ISRAELI TRADE ACT (NOV 2012)
(Reference 25.1101(b)(1)(i))

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)
(Reference 25.1103)

52.227-1 AUTHORIZATION AND CONSENT (DEC 2007)
(Reference 27.201-2)

52.227-2 NOTICE & ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (DEC 2007)
(Reference 27.201-2)

52.227-14 RIGHTS IN DATA--GENERAL (DEC 2007)
(Reference 27.409)

52.227-17 RIGHTS IN DATA--SPECIAL WORKS (DEC 2007)
(Reference 27.409)

52.229-3 FEDERAL, STATE, AND LOCAL TAXES (FEB 2013)

(Reference 29.401-3)

52.230-2 COST ACCOUNTING STANDARDS (MAY 2012)
(Reference 30.201-4)

52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (JUN 2010)
(Reference 30.201-4)

52.232-1 PAYMENTS (APR 1984)
(Reference 32.111)

52.232-8 DISCOUNTS FOR PROMPT PAYMENT (FEB 2002)
(Reference 32.111)

52.232-11 EXTRAS (APR 1984)
(Reference 32.111)

52.232-17 INTEREST (OCT 2010)
(Reference 32.617)

52.232-18 AVAILABILITY OF FUNDS (APR 1984)
(Reference 32.705-1)

52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR (APR 1984)
(Reference 32.705-1)

Funds are not presently available for performance under this contract beyond [SEPT 30 of 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022]. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond [the dates identified above], until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

(End of clause)

52.232-23 ASSIGNMENT OF CLAIMS (JAN 1986)
(Reference 32.806)

52.232-25 PROMPT PAYMENT (OCT 2008)
(Reference 32.908)

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER--CENTRAL CONTRACTOR REGISTRATION (OCT 2003)
(Reference 32.1110)

52.232-37 MULTIPLE PAYMENT ARRANGEMENTS (MAY 1999)
(Reference 32.1110)

52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (JUN 2013)
(Reference 32.706)

52.232-99 PROVIDING ACCELERATED PAYMENT TO SMALL BUSINESS CONTRACTORS (DEVIATION) (AUG 2012)

(a) Upon receipt of accelerated payments from the Government, the Contractor is required to make accelerated payments to small business subcontractors to the maximum extent practicable after receipt of a proper invoice and all proper documentation from the small business subcontractor.

(b) Include the substance of this clause, including this paragraph (b), in all subcontracts with small business concerns.

(c) The acceleration of payments under this clause does not provide any new rights under the Prompt Payment Act.

52.233-1 DISPUTES (JUL 2002)--ALTERNATE I (DEC 1991)
(Reference 33.215)

52.233-3 PROTEST AFTER AWARD (AUG 1996)
(Reference 33.106)

52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)
(Reference 33.215)

52.237-3 CONTINUITY OF SERVICES (JAN 1991)
(Reference 37.110)

52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996)
(Reference 39.107)

52.242-13 BANKRUPTCY (JUL 1995)
(Reference 42.903)

52.243-1 CHANGES--FIXED-PRICE (AUG 1987)--ALTERNATE I (APR 1984)
(Reference 43.205)

52.243-6 CHANGE ORDER ACCOUNTING (APR 1984)
(Reference 43.205)

52.243-7 NOTIFICATION OF CHANGES (APR 1984)
(Reference 43.107)

(a) *Definitions.* "Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

> "Specifically Authorized Representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) *Notice*. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify

the Administrative Contracting Officer in writing promptly, within 7 calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state --

(1) The date, nature, and circumstances of the conduct regarded as a change;

(2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;

(3) The identification of any documents and the substance of any oral communication involved in such conduct;

(4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;

(5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including --

(i) What contract line items have been or may be affected by the alleged change;

(ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;

(iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;

(iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) *Continued performance*. Following submission of the notice required by paragraph (b) of this clause, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in paragraph (b) of this clause, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) *Government response*. The Contracting Officer shall promptly, within 7 calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either --

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under subparagraphs (d)(1), (2), or (3) of this clause, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) *Equitable adjustments.*

(1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made --

(i) In the contract price or delivery schedule or both; and
(ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in paragraphs (b) and (c) of this clause.

NOTE: The phrases "contract price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

(End of Clause)

52.244-2 SUBCONTRACTS (OCT 2010)
(Reference 44.204)

52.244-5 COMPETITION IN SUBCONTRACTING (DEC 1996)
(Reference 44.204)

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2010)
(Reference 44.403)

52.246-25 LIMITATION OF LIABILITY-SERVICES (FEB 1997)
(Reference 46.805)

52.248-1 VALUE ENGINEERING (OCT 2010)
(Reference 48.201)

52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (APR 2012)
(Reference 49.502)

52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984)
(Reference 49.504)

52.252-6 AUTHORIZED DEVIATION IN CLAUSES (APR 1984)
(Reference 52.107)

The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(End of Clause)

52.253-1 COMPUTER GENERATED FORMS (JAN 1991)
(Reference 53.111)

252.201-7000 CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991)
(Reference 201.602-70)

(a) Definition. "Contracting officer's representative" means an individual designated in accordance with subsection 201.602-2 of the Defense Federal Acquisition Regulation Supplement and authorized in writing by the contracting officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a contracting officer's representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the contracting officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

(End of clause)

252.203-7000 REQUIREMENTS RELATED TO COMPENSATION OF FORMER DoD OFFICIALS (SEP 2011)
(Reference 203.171-4)

252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES (DEC 2008)
(Reference 203.570-3)

252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (JAN 2009)

(Reference 203.970)

252.203-7003 AGENCY OFFICE OF THE INSPECTOR GENERAL (DEC 2012).
(Reference 203.1004):

The agency office of the Inspector General referenced in paragraphs (c) & (d) of FAR clause 52.203-13, Contractor Code of Business Ethics and Conduct, is the DoD Office of the Inspector General, located at the following address:

DoD Office of the Inspector General
Investigative Policy and Oversight
4800 Mark Center Drive, Suite11H25
Alexandria, VA 22350-1500
Toll Free Telephone: 866-429-8011

(End of clause)

252.203-7004 DISPLAY OF FRAUD HOTLINE POSTERs (DEC 2012).
(Reference 203.1004)

(a) *Definition*. "United States," as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) *Display of fraud hotline poster(s)*.

(1) The Contractor shall display prominently in common work areas within business segments performing work in the United States under Department of

Defense (DoD) contracts DoD hotline posters prepared by the DoD Office of the Inspector General. DoD hotline posters may be obtained via the internet at http://www.dodig.mil/HOTLINE/hotline_posters.htm.

(2) If the contract is funded, in whole or in part, by Department of Homeland Security (DHS) disaster relief funds, the DHS fraud hotline poster shall be displayed in addition to the DoD fraud hotline poster. If a display of a DHS fraud hotline poster is required, the Contractor may obtain such poster from:http://www.dhs.gov/xoig/assets/DHS_OIG_Hotline-optimized.jpg

(3) Additionally, if the Contractor maintains a company website as a method of providing information to employees, the Contractor shall display an electronic version of the poster(s) at the website.

(c) *Subcontracts*. The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts that exceed $5 million except when the subcontract—

(1) Is for the acquisition of a commercial item; or

(2) Is performed entirely outside the United States.

(End of clause)

252.204-7000 DISCLOSURE OF INFORMATION (DEC 1991)
(Reference 204.404-70)

252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR 1992)
(Reference 204.404-70)

SECTION I
CONTRACT CLAUSES

252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS (DEC 1991)
(Reference 205.470)

252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY (DEC 2006)
(Reference 209.409)

252.215-7000 PRICING ADJUSTMENTS (DEC 2012)
(Reference 215.408)

252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) (AUG 2012)
(Reference 219.708)

SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)
(DEVIATION 2013-00014)(AUG 2013)

*****

(a) *Definitions.* As used in this clause-

"Summary Subcontract Report (SSR) Coordinator," means the individual who is registered in eSRS at the Department of Defense (9700).

*****

(h) (1) For DoD, the Contractor shall submit reports in eSRS as follows:

(i) The Individual Subcontract Report (ISR) shall be submitted to the contracting officer at the procuring contracting office, even when contract administration has been delegated to the Defense Contract Management Agency.

(ii) To submit the consolidated SSR for an individual subcontracting plan in eSRS, the contractor identifies the Government Agency in Block 7 ("Agency to which the report is being submitted") by selecting the "Department of Defense (DoD) (9700)" from the top of the second cb:opdown menu. Do not select anything lower.

(2) For DoD, the authority to acknowledge receipt or reject reports in eSRS is as follows:

(i) The authority to acknowledge receipt or reject the ISR resides with the contracting officer who receives it, as described in paragraph (h)(l)(i) of this clause.

(ii) The authority to acknowledge receipt or reject SSRs in eSRS resides with the SSR Coordinator.

(End of Clause)

252.222-7006 RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS (DEC 2010) (Reference DFARS 222.7405)

252.223-7004 DRUG-FREE WORK FORCE (SEP 1988)
(Reference 223.570-2)

252.225-7004 REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES & CANADA Submission after award (OCT 2010)
(Reference 225.7204)

252.225-7006 QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (OCT 2010)
(Reference 225.7204)

252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (SEP 2004)
(Reference 226.104)

252.231-7000 SUPPLEMENTAL COST PRINCIPLES (DEC 1991)
(Reference 231.100-70)

252.232-7010 LEVIES ON CONTRACT PAYMENTS (DEC 2006)
(Reference 232.7102)

252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)
(Reference 243.205-70)

252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012)
(Reference 243.205-71)

(a) The amount of any request for equitable adjustment to contract terms shall accurately reflect the contract adjustment for which the Contractor believes the Government is liable. The request shall include only costs for performing the change, and shall not include any costs that already have been reimbursed or that have been separately claimed. All indirect costs included in the request shall be properly allocable to the change in accordance with applicable acquisition regulations.

(b) In accordance with 10 U.S.C. 2410(a), any request for equitable adjustment to contract terms that exceeds the simplified acquisition threshold shall bear, at the time of submission, the following certificate executed by an individual authorized to certify the request on behalf of the Contractor:

I certify that the request is made in good faith, and that the supporting data are accurate and complete to the best of my knowledge and belief.

(Official's Name)

(Title)

(c) The certification in paragraph (b) of this clause requires full disclosure of all relevant facts, including

(1) Certified cost or pricing data, if required, in accordance with subsection

15.403-4 of the Federal Acquisition Regulation (FAR); and

(2) Data other than certified cost or pricing data, in accordance with subsection 15.403-3 of the FAR, including actual cost data and data to support any estimated costs, even if certified cost or pricing data are not required.

(d) The certification requirement in paragraph (b) of this clause does not apply to

(1) Requests for routine contract payments; for example, requests for payment for accepted supplies and services, routine vouchers under a cost-reimbursement type contract, or progress payment invoices; or

(2) Final adjustments under an incentive provision of the contract.

(End of clause)

252.244-7001 CONRTRACTOR PURCHASING SYSTEM ADMINISTRATION (JUN 2012)
(Reference_244.305-71)

252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002)
(Reference_247.574(b)(1)

(End of Section I)

52.204-6 Data Universal Numbering System (DUNS) Number. (DEC 2012)

52.204-7 Central Contractor Registration (DEC 2012)

52.211-14 Notice of Priority Rating for National Defense, Emergency Preparedness, and Energy Program Use. (APR 2008)

Any contract awarded as a result of this solicitation will be [ ] DX rated order; [**X**] DO rated order certified for national defense, emergency preparedness, and energy program use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation.

(End of provision)

52.215-1 Instructions to Offerors - Competitive Acquisition. (JAN 2004)

52.215-16 Facilities Capital Cost of Money. (JUN 2003)

52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data. (OCT 2010) - Alternate IV (OCT 2010)

(a) Submission of certified cost or pricing data is not required.

(b) Provide data described below: As specifically requested by the Contracting Officer.

(End of provision)

52.215-22 Limitations on Pass-Through Charges--Identification of Subcontract Effort. (OCT 2009)

52.216-1 Type of Contract. (APR 1984)

The Government contemplates award of an indefinite quantity requirements type contract; with contract line items which are firm-fixed-price and performance incentives, resulting from this solicitation.

(End of provision)

52.222-24 Preaward On-Site Equal Opportunity Compliance Evaluation. (FEB 1999)

52.222-46 Evaluation of Compensation for Professional Employees. (FEB 1993)

52.232-38 Submission of Electronic Funds Transfer Information with Offer. (MAY 1999)

52.233-2 Service of Protest. (SEP 2006)

(a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from [Contracting Officer, address in Block 7 of the Standard Form 33.]

(b) The copy of any protest shall be received in the office designated above within one (1) day of filing a protest with the GAO.

(End of provision)

52.252-1 Solicitation Provisions Incorporated by Reference. (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Offerors are cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, offerors may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es): [http://farsite.hill.af.mil]

(End of provision)

52.252-5 Authorized Deviations in Provisions. (APR 1984)

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the provision.

(b) The use in this solicitation of any (48 CFR Chapter) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of provision)

252.203-7005 Representation Relating to Compensation of Former DoD Officials. (NOV 2011)

252.204-7001 Commercial and Government Entity (CAGE) Code Reporting (AUG 1999)

252.225-7003 Report of Intended Performance Outside the United States and Canada--Submission with Offer. (OCT 2010)

L.1. Notice of Availability of Independent Review.

An interested party filing a protest with TRICARE Management Activity (TMA) has the option of requesting review by either the Contracting Officer (CO) or an independent review official (IRO), who is a TMA official at a level above the CO. Alternately, an interested party may request IRO review as an appeal of the CO's protest decision.

Where applicable, an interested party must clearly state in the protest that an IRO review is requested, and must specify the nature of the independent review sought – whether as an alternative to the CO review or as an appeal of the CO's decision.

Regardless of which review is requested, all protests must be complete and submitted to the CO within the timeframes specified in FAR Subpart 33.1.

L.2. Conflict of Interest

L.2.1. The offeror's attention is directed to FAR, Subpart 9.5, "Organizational and Consultant Conflicts of Interest."

L.2.2. For the purpose of these provisions, the term "Offeror" means the offeror, its subsidiaries, affiliates, partners, marketing consultants, as defined by FAR, Subpart 9.501, or any of its successors or assignees.

L.2.3. It is the position of TMA that certain companies, due to the nature of their contract performance with DoD, have an actual or potential organizational conflict of interest, which must be avoided, neutralized, or mitigated. The following companies would have an actual conflict of interest and may not serve as the prime Contractor, subcontractor, or market consultant in the development of a response to the solicitation: Advanced Pharmacy Concepts, General Dynamics Information Technology, Cherokee Information Services, Irving Burton and Associates, and Axiom Resource Management. The following companies may have a potential conflict of interest and in the event an offeror intends to use the following companies as a subcontractor or market consultant in the development of a response to the solicitation, offerors shall provide a mitigation plan to the Contracting Officer no later than 15 calendar days prior to utilizing: McKesson Corporation; National Government Services, Inc.; Systems Research and Applications Corporation; Lockheed Martin Services, Inc.; any company or individual with a TMA support contract; and any other company or individual supporting the following DoD pharmacy systems: Defense Enrollment Eligibility Reporting System (DEERS), Pharmacy Data Transaction Service (PDTS), Composite Health Care System (CHCS), Armed Forces Health Longitudinal Technology Application (AHLTA), Integrated Electronic Health Record (iEHR), Clinical Data Repository/Health Data Repository (CHDR), and Theater Medical Data Store (TMDS).

L.2.4. Offerors are hereby notified that an actual or potential conflict of interest may exist with Covered DoD officials, as defined by DFARS 252.203-7000. Offerors shall not knowingly provide compensation to a former covered DoD official within 2 years after the official leaves DoD service, without first determining that the official has sought and received, or has not received after 30 days of seeking, a written opinion from the appropriate DoD ethics counselor regarding the applicability of post-employment restrictions to the activities that the official is expected to undertake on behalf of the offeror. Additionally, offerors must disclose all intended employees participating on the proposal development that are potential covered DoD officials, and get approval from the Contracting Officer prior to involvement of covered DoD officials in the development of a response to the solicitation, or a mitigation plan.

L.2.5. It is the position of TMA that offeror's ownership or financial interests in retail pharmacies may pose a potential conflict of interest in the performance of the contract. This includes, but not limited to, the Contractor's performance as a fiscal intermediary for the Government and in its role in pursuing waste, fraud and abuse (TRICARE Operations Manual (TOM) Chapter 13). Such impaired objectivity, internal allegiances, or conflicting roles must be avoided, neutralized, or mitigated. No later than 15 calendar days prior to the proposal due date, offerors shall identify and provide the Contracting Officer with a list of those pharmacies in which it has a financial interest that the offeror intends to include in the TRICARE pharmacy network. Offerors shall also submit a mitigation plan that effectively demonstrates how offerors will mitigate any actual or potential organizational conflict of interest in the performance of the contract.

L.2.6. Offerors shall represent in writing in volume I of the proposal that, to the best of the offeror's knowledge, there are no relevant facts or circumstances concerning any past, present, or potential contracts or financial interest relating to the work to be performed, which could give rise to an organizational conflict of interest, as described in FAR Subpart 9.5. In the event an actual or potential organizational conflict of interest exist, the offeror shall submit a mitigation plan to the Contracting Officer, no later than 15 calendar days prior to the proposal due date, that effectively demonstrates how offerors will mitigate any actual or potential organizational conflict of interest while supporting this contract, or any other TMA contract. Offerors shall also provide the Contracting Officer, no later than 15

calendar days prior to the proposal due date, with information of previous or ongoing work that is in any way associated with this solicitation.

L.2.7. The Contracting Officer will review all mitigation plans to determine whether award to the offeror is consistent with FAR, Subpart 9.5. If the Contracting Officer concludes that no conflict would arise, or that the mitigation plan adequately protects the interest of the Government, the offeror will remain eligible for award. If the Contracting Officer concludes that the mitigation plan is inadequate, remedial actions will be considered, including elimination from the solicitation process, termination of related contract efforts already awarded, or negotiation of the mitigation plan.

L.2.8. The above restrictions shall be included in all subcontracts, teaming arrangements, and other agreements calling for performance of work which is subject to the organizational conflict of interest restrictions identified in these provisions.

L.2.9. The offeror acknowledges the full force and effect of these provisions. The Government reserves the right, in case of a breach, misrepresentation or nondisclosure, to terminate the resultant contract, disqualify the offeror from subsequent related contractual efforts, or pursue any remedy permitted by law, regulation or the terms and conditions of this solicitation. Offeror's proposals shall acknowledge the above provisions.

L.3. General Instructions

L.3.1. This sub-section provides general guidance for preparing proposals as well as specific instructions on the format and content of the proposal. Offerors are cautioned to follow the instructions provided in this section carefully to assure the Government receives consistent information in a form that will facilitate proposal evaluation. In addition to the offer, the offeror's proposal must include all information requested in this solicitation and must be submitted in accordance with these instructions.

The offer shall be compliant with the requirements as stated in the solicitation and applicable attachments. Non-conformance with the instructions provided in the solicitation and this section may result in rejection of the proposal or an adverse evaluation rating. The proposal shall be clear, concise, and shall include sufficient detail for effective evaluation and for substantiating the validity of stated claims. If an offeror fails or refuses to assent to any of the terms and conditions of the solicitation, the offer may be ineligible for contract award.

L.3.2. Offerors shall submit only one proposal. If an offeror submits more than one proposal, the Government will not evaluate any proposal from that offeror.

L.3.3. The estimated date of award will be in May 2014. See Section F.1.

L.4. Enhanced Safeguarding Information Requirements

L.4.1. Offerors shall submit and include in Volume I of the proposal, a draft checklist and certification using the checklist and certification for minimum level of enhanced safeguarding for unclassified DoD information.

L.5. Specific Instructions

L.5.1. The Contracting Officer is the sole point of contact. Questions regarding the solicitation or other concerns are to be submitted electronically to the Contracting Officer by email. The questions and answers will be posted at www.fbo.gov. Comments or questions regarding OCI will not be posted, but will be responded to individually via email.

L.5.2. The remarks, explanations and answers provided by Government representatives whether orally or in writing, shall not change or qualify any of the terms or conditions of the solicitation. The solicitation can only be changed by a written amendment issued by the Contracting Officer.

L.5.3. Offerors shall use their legal name and not a shortened version that could be confused with a parent company or other corporation. Use of an acronym is permissible after the first usage of their full legal name in each of the five volumes. Offerors shall clearly state when their proposal is speaking for themselves, their parent company, or a subsidiary.

L.5.4. Offerors shall submit proposals to the Contracting Officer at the address indicated below. The proposals are to be provided in both electronic and hard copy format. Offerors will not submit electronic copies via e-mail. Hardcopies and CD-ROMs shall be mailed to the following address:

Contracting Officer
TRICARE Management Activity
ATTN: COD-AB Ref: RFP HT9402-13-R-0001
16401 East Centretech Parkway, Aurora, CO 80011-9066

Each CD-ROM and/or volume shall be marked as follows:
OFFERORs COMPANY NAME, e.g. XYZ Corporation
HT9402-13-R-0001,
Volume Number, CD number (e.g., 1 of X)
Identify if the data is protected by the Privacy Act, HIPAA or both as appropriate
Date the CD was created
Software and version used

L.5.5. Non-Government Advisors: The expertise of Non-Government advisors may be required to support the evaluation of technical proposals. When the identity of the Non-Government advisor(s) becomes known, TMA will immediately, provide the name(s) of the Non-Government advisor(s) by correspondence to the offerors. These advisors have broad and comprehensive knowledge of the civilian health care industry and pharmacy benefit management services, and will apply their expert knowledge of industry practices and standards to assist the Government in evaluation of technical proposals. Non-Government advisors are subject to the limitations of FAR 7.503 and FAR Part 37.2; and shall not determine ratings or rankings of offeror's proposals or perform any inherently Governmental function.

(a) The release of proposal information to Non-Government advisors: The release of proposal information to non-Government advisors will be subject to the controls of TMA. Non-Government advisors are not allowed access to past performance information or proprietary financial data (dollar figures) contained in the price proposal.

(b) Prohibitions: Non-Government advisors are prohibited from proposal rating, ranking, or recommending the selection of a source. They are not normally allowed to participate in discussions, but may attend if requested to do so by the chairperson(s). Non-Government advisors are not normally

allowed to participate in Government decision-making meetings, unless invited by the chairperson(s) to be present during a particular portion to provide specific technical information.

(c) Access to proprietary information: Non-Government advisors that have access to proprietary information in performing their roles for the Government must agree to protect the information from unauthorized use or disclosure for as long as it remains proprietary, and refrain from using the information for any purpose other than that for which it was furnished. All non-Government advisors are required to sign a non-disclosure agreement, TMA Form 821. The Contracting Officer shall retain the signed agreements in the pre-award contract file.

(d) Organizational Conflict Of Interest (OCI): OCI clauses are included in TRICARE contracts under which non- Governmental technical advisors are performing services for the Government. The OCI clauses require the companies and/or individual Non-Government advisors to protect an offeror's proprietary data and Government source selection information and prohibit them from otherwise participating as an offeror, a subcontractor, or as a consultant to an offeror/subcontractor in relation to this acquisition.

(e) Permission from offerors: Upon review of the above limitations, and after the identity of the Non-Government advisor(s) is provided by letter to the offerors; any offeror having concerns/issues regarding the Non-Government advisors having access to their proposal information should notify the Contracting Officer of said objection; or obtain a written agreement between the Non-Government advisor and the offeror in accordance with FAR 9.505-4 (b), and submit to the Contracting Officer within 7 working days at time of notification. If said agreement / objection to the proposed non-Government advisor(s) have not been submitted within the 7 working days, offerors will be deemed to have consented to the limited access described above.

L.6. Proposal Preparation.

L.6.1. Offerors are required to submit their proposal, consisting of four (4) physically separated and detachable parts/volumes, and one PDF set of volumes I –IV, individually entitled as indicated below. Offerors shall provide one original, plus the number of copies listed in the following table:

PART/VOLUME	NAME	NO. OF COPIES
Volume I	**Executed Offer (L.7.) to include**: • SF 33 (L.7.1.1)(Original) • Completed Section B (L.10.1)(Original) • Retail Network Reimbursement Table L-1 (L.10.15.) (Original) • Completed Section K Representation & Certifications (L.7.1.) • OCI Statement (L.2.6.) • Small Business Subcontracting Plan (L.11.1) • Minimum network size from C.6.5.1 (L.8.2.1.3) **Other Information:** • Wage Determinations or CBA (L.7.3.2.) • Completed copy of DRAFT Enhanced Safeguarding Information Requirement Checklist (L.4.) • Financial Information (L.7.4.) • DCMA Form 1620 04-04 Guaranty Agreement for Corporate Guarantor (L.7.5.) • Organization Chart (L.6.11.)	**Hard/Electronic** 4/2
Volume II	**Technical Proposal (L.8) to include:** • Written Technical Proposal • Minimum network size from C.6.5.1 (L.8.2.1.3) • Network pharmacy identification (electronic only) file (L.8.2.1.3.2) • Organization Chart	15//3
Volume III	**Past Performance Information (L.9.) to include:** • Summary Narrative or Key Personnel Narrative (L.9.1.) • Predecessor company documentation (if applicable) • Termination documentation (if applicable) • Major Commercial Client Description (L.9.2.) • Major Government Client Description (L.9.3.) • Past Performance Questionnaires (L.9.4) • Organization Chart	8/3
Volume IV	**Price Proposal (L.10.) to include:** • Completed Section B • Retail Network Reimbursement Table L-1 • Organization Chart	8/3
Volume I-IV	Volume Set (L.6.2.1)	1 Electronic

L.6.2. Electronic Copies: The electronic portion of the proposal shall be submitted on virus-free CD-ROMs compatible with Microsoft Office XP or later applications. The set may be submitted on one CD if size permits. For the copies listed above, the documents shall be either in Word or Excel format. If this is not possible, then a PDF document in Optical Character Reader (OCR) format is acceptable for all volumes. Each CD shall be labeled as stated in L.5.4. In addition, each CD must be made "final." "Final" is a recording option that renders the CD totally used so no other data tracks can be added. Do not use compressed file formats. Use separate files to permit rapid location of all portions, including exhibits, annexes, and attachments, if any. Electronic versions shall be exact duplicates of the paper copy proposals in both content and format. The electronic documents must be searchable. If tables, charts, etc. are used within Volumes II and III, offerors should ensure that the information is captured within the narrative portion of the proposal.

L.6.2.1. In addition to the electronic copies stated above, offerors shall submit one set of Vol I -IV in PDF document in Optical Character Reader (OCR) format. The set may be submitted on one CD, if size permits. The CD shall be also be labeled per L.5.4.

L.6.3. Paper Copies. In any instance where the paper copy differs from the electronic copy, the paper shall prevail. Paper copy proposal shall be exact duplicates of the electronic version in both content and format. Paper copies shall be separated by Volume, each in a 3-ring binder and identified with the offeror's name, volume number and title, proposal date and solicitation number. A separate binder is required for each Volume. All paper copy proposal narrative material shall be submitted on white paper with one inch (1") margins on all sides. The font for both CD ROM and paper submissions shall be Times New Roman, not smaller than 12 points; however, the use of smaller fonts in areas of the proposal that will not easily accommodate 12 point font and are limited to illustrations, organization charts, supporting data exhibits, report listings or labels on process flow charts may permitted to be as small as 8 point font. Elaborate brochures or documentation, binding, detailed artwork, or other embellishments shall not be submitted. Offerors should refrain from using any formatting or symbols to bring attention to any portion of their proposal. Footnotes on text pages shall also be in 12 point font. Proposals shall be printed double-spaced, double-sided only with non-duplicative, sequential page numbers at the bottom of each printed page identified with the solicitation number; however, pages may be printed single-sided for Volumes I and IV only.

L.6.4. Page Limitations: Page limitations shall be treated as maximums. If exceeded, the excess pages will not be considered in the evaluation. The Table of Contents and tabs separating the volumes will not be counted as long as they do not contain proposal content. The following table contains all page limit requirements. If there is a requirement for information in the proposal, which is not reflected in the following table, then a page limitation does not apply.

Reference and Description	Copies	Page Limit	Applicable To
Organization Chart (L.6.11)	Each Vol.	3	Offeror, & critical subcontractor, partners, joint ventures and consortium
Technical Proposal (L.8.1.1.)	Vol. II	75	Offeror
Summary Narrative or Key Personnel Narrative (L.9.1., L.9.1.3)	Vol. III	15	Offeror & critical subcontractor
Summary Description of Major Commercial Clients. (see L.9.2)	Vol. III	3 pages per client	Offeror & critical subcontractor
Summary Description of Major Government Clients. (see L.9.3)	Vol. III	3 pages per client	Offeror & critical subcontractor

L.6.5. Information does not need to be duplicated in its entirety in multiple locations, so the narrative may reference tables and charts. No part of a Volume shall incorporate by reference portions of other Volumes of the proposal (e.g., Volume IV Pricing cannot be referenced in Volume II Technical). Information may be referenced within the same Volume rather than duplicating the information within that Volume. Offerors shall not include price information anywhere (else) in their package, except in the price proposal (Volume IV).

L.6.6. If the Contracting Officer determines that a written clarification is necessary, a request for clarification will be issued to the offeror. Offerors shall follow the instructions provided by the Contracting Officer.

L.6.7. If final proposal revisions are required (if requested by the Contracting Officer), offerors shall follow the final proposal revision instructions provided by the Contracting Officer.

L.6.7.1. Offeror's are required to submit their final proposal revision in accordance with the following instructions:

- Offerors are required to submit the entire completed Volume II, Volume III, and Volume IV of the proposal that contains the revisions made so that the proposal can be read in its totality.

- Offerors must submit a signed SF33 and completed section B in Volume I of their FPR. For the remainder of Volume 1, offeror's may submit only portions of the proposal which have been revised.

- Any revisions made in the FPR must be marked with a change bar.

- With the FPR, Offerors shall submit a "cross matrix", defined in this solicitation as a document which details the revisions made to the offeror's original proposal. The cross matrix will only be used to facilitate the evaluation of the FPR, is not a part of the FPR, will not be evaluated, and is excluded from any page limitations. At a minimum, the cross matrix shall contain a table with the following information:
  a. Section and page of the offeror's original proposal where the revision is made,
  b. The original proposal language of the section which is revised,
  c. The revised proposal language.

- Offerors shall submit their FPR in accordance with section L.6."

L.6.8. If the offeror believes that the requirements in these instructions contains an error, omission or are otherwise unsound, offerors shall immediately notify the Contracting Officer in writing with their supporting rationale.

L.6.9. Except as otherwise indicated, an offeror's proposal will not be incorporated into the awarded contract.

L.6.10. In accordance with Federal Acquisition Regulation (FAR) Subpart 4.8 Government Contract Files, the agency's contracting office will retain one copy of all unsuccessful proposals. Unless the offeror requests otherwise in writing, the agency's contracting office will destroy extra copies of unsuccessful proposals.

L.6.11. Organization Chart. Offerors shall submit their anticipated organizational structure and must include the prime Contractor and critical subcontractors (as defined in Section L.9.1.1). In the case of a joint venture or other business structure (e.g., subsidiary relying upon its parent corporation and/or relying on other corporate subsidiaries of its parent), a clear description of the organizational relationship(s) they intend to use must be disclosed. A copy shall be placed in each volume of the proposal. The organization chart shall not exceed 3 pages and will not count against any of the other page limitations indicated in L.6.4. The Contractor shall also submit an advance copy, via email, to the POC listed at Block 10 of the SF 33 no later than 15 days before due date of proposals.

L.7. VOLUME I

L.7.1. Volume I shall contain the signed original of all documents requiring signature of the offeror. Use of reproductions of the signed original is authorized in all other copies. Offerors shall commit in writing to fulfilling the terms and conditions of the contract. All certifications and representations, to include Section K, required by the solicitation shall be completed and provided in Volume I. The provision in Section K, FAR 52.204-8, Annual Representations and Certifications, must be completed and submitted with the proposal. An online Representations and Certifications Application is available at https://www.uscontractorregistration.com/

L.7.1.1. Offerors must complete, sign, and date their offer at blocks 12 through 18 of the Standard Form 33. Evaluation of offers received in response to the solicitation and the source selection procedures are projected to require up to 210 calendar days to complete. As a result of this, the Government requires that the minimum acceptance period identified in item 12 of the Standard Form 33 be a minimum of 270 calendar days.

L.7.2. Offerors shall report any intended performance outside the United States and Canada. Reporting in accordance with DFAR 252.225-7003 must be completed and submitted in Volume I. In addition refer to TSM Chapter 1 for ADP/ IT II requirements.

L.7.3. The Service Contract Act applies to this solicitation for those categories of labor that are defined as service employees in FAR Part 22.1001: "Service employee means any person engaged in the performance of a service contract other than any person employed in a bona fide executive, administrative, or a professional capacity, as those terms are defined in Part 541 of Title 29, Code of Federal Regulations. The term 'service employee' includes all such persons regardless of any contractual relationship that may be alleged to exist between a Contractor or subcontractor and such persons." See applicable FAR Clauses in Section I: 52.222-41, Service Contract Act of 1965; 52.222-42, Statement of

Equivalent Rates for Federal Hires; and 52.222-43, Fair Labor Standards Act and Service Contract Act-Price Adjustment (Multiple Year and Option Contracts).

L.7.3.1. In accordance with Title 29 CFR 4.4(3)(i): Where the place of performance of a contract for services subject to the Act is unknown at the time of solicitation, the solicitation need not initially contain a wage determination. The contracting agency, upon identification of firms participating in the procurement in response to an initial solicitation, shall obtain a wage determination for each location where the work may be performed as indicated by participating firms. An applicable wage determination must be obtained for each firm participating in the bidding for the location in which it would perform the contract. The appropriate wage determination shall be incorporated in the resultant contract documents and shall be applicable to all work performed there under (regardless of whether the successful Contractor subsequently changes the place(s) of contract performance).

L.7.3.2. If the offeror's place of performance is unknown to the Government at time of solicitation, offerors will obtain the wage determination under the Department of Labor website, http://www.wdol.gov. When selecting the wage determination, offerors shall use the pull down menus for the place of performance of said service employees based upon their place of performance: proper state and proper county using the odd number wage determinations. (The even number wage determinations are not applicable to this solicitation.) The wage determination(s) used by the offeror shall be submitted in Volume I to the Government and shall be incorporated into the contract for the successful offeror. If the offeror's employees are covered by a Collective Bargaining Agreement (CBA), the rates from the CBA shall be submitted in place of the wage determination(s).

L.7.4. Financial Viability. Offerors must demonstrate adequate financial resources to perform the prospective contract or demonstrate an ability to obtain adequate financial resources. The financial information submitted will be used by the Contracting Officer in making a financial responsibility determination. Failure of an offeror to submit the required financial information could result in the Contracting Officer making a determination the offeror is not responsible.

L.7.4.1. Offerors shall submit financial statement data for the most recent Dun and Bradstreet (D&B) Comprehensive Report, or if not available, another rating company report that is essentially equivalent to D&B (e.g., A. M. Best Company). These data must be submitted on the parent corporation, on the subsidiary offeror, and on any recent or prospective significant merger candidates.

L.7.4.2. Offerors shall submit the following financial statement data for the offeror's three most recent and complete fiscal years, and the most recent interim accounting period if applicable. The data must be submitted on the parent corporation, on the subsidiary offeror, and on any prior or prospective significant merger candidates:

- Annual reports for the offeror's three most recent fiscal years (including audit opinions)
- Balance sheets and income statements
- Statement of retained earnings
- Statement of cash flows
- Statement of projected quarterly cash flow for a one year period beginning with the start of the contract (phase-in).

L.7.4.3. Offerors shall clearly label all financial statements as audited or un-audited, and include the date last audited, by whom the data was audited, and the date, if applicable, of any certification of the financial statements by the responsible company official. All off-balance sheet arrangements and related party transactions must be clearly disclosed and explained.

L.7.4.4. Offerors that are start-up companies, or otherwise do not have annual reports, shall provide historical documents (e.g., tax returns), projected income statements and balance sheets, and narrative documentation supporting their ability to obtain the financial resources to perform the contract.

L.7.4.5. Copies of adverse financial items uncovered in the last three years' state insurance department audits shall be submitted, if applicable. Offerors shall provide a supporting narrative, including a brief description of anomalies in the submitted financial data and a brief description of any projected increases and decreases in the offeror's business base.

L.7.5. Guaranty Agreement. The offeror shall include a guarantee from the offeror's holding or parent company, or owner(s), if applicable, indicating their willingness to guarantee complete and faithful performance of the offeror and to provide the offeror all necessary and required resources, including financing, which are necessary to assure the full, complete and satisfactory performance of the contract. The format to be used for this guarantee is DCMA Form 1620 04-04 Guaranty Agreement for Corporate Guarantor (See Exhibit L-2). A signed original shall be included in Volume I. Failure to provide this guarantee, if applicable to the offeror, may result in the Contracting Officer making a determination that the offeror is not responsible, and thus ineligible for award.

L.8. VOLUME II – Technical Proposal

L.8.1. Offerors shall submit a written technical proposal which demonstrates the offeror's understanding of the requirements, and provides an effective and efficient technical solution for the prospective contract. The proposal shall not simply rephrase or restate the Government's requirements, but rather shall provide convincing rationale to address how the offeror intends to meet these requirements by clearly describing the technical solution and overall approach to the solicitation requirements. The proposal shall address all of the subfactors identified in Section M.4.

The proposal may state information on the offeror's experience (for this purpose, experience refers to what an offeror has done, not how well it was accomplished) in performing its proposed processes and procedures. This information may be considered in the evaluation of specific technical approaches and their associated risk. Any such information will not be considered in the past performance evaluation. The price proposal, past performance information, and financial information shall not be addressed in the technical proposal volume, and no part of the technical proposal shall incorporate by reference portions of other volumes of the proposal.

L.8.1.1. The Government will not assess a 'strength' for proposals to exceed any of the following standards:

- Claims Processing System Availability
- Telephone Answering – Initial Answer
- Telephone Answering by Beneficiary Service Representative (BSR) or Customer Service Representative (CSR)
- Telephone Call Blockage Rate
- Telephone Abandoned Call Rate
- Telephone Calls Resolved
- Routine and Priority Correspondence
- TED Edit Accuracy

L.8.1.2. The technical proposal shall not exceed 75 pages inclusive of the exhibits, illustrations, attachments (except the page containing C.6.5.1), flow diagrams, data dictionaries, figures, charts, and

any other non-narrative inclusion. Offerors may provide cross-references rather than resorting to redundancies in the presentation (i.e., a cross reference to another paragraph within the technical volume, cross references to the other volumes is not allowed). The Government will count the pages upon receipt of proposals beginning with the first piece of paper of the technical proposal (Volume II), which shall be regarded as page one. Pages in excess of 75 (starting at page 76) will not be evaluated.

L.8.2. Technical

L.8.2.1. Subfactor 1 - Pharmacy Benefit Management Services

L.8.2.1.1. Offerors shall describe its approach for the acceptance and processing of claims submitted by retail network pharmacies, the TRICARE Mail Order Pharmacy (MOP), MTF pharmacies, or by beneficiaries for direct reimbursement.

- Offerors shall describe their underlying technical capabilities to performing claims adjudication that meets the minimum standards specified in Section C. Offerors shall describe its proposed workflow for management of this claims processing system and describe how it includes both commercial PBM practices and the flexibility to accommodate unique Government requirements. Offerors shall describe its ability to support timely changes to its claims processing system in response to benefit design changes made by the Government.
- Offerors shall describe how the proposed claims processing system is scalable to meet the anticipated volume at the start of pharmacy services [and potential growth] throughout the duration of the contract.
- Offerors shall provide a solution for serving as a fiscal intermediary and shall describe its approach to complying with financial requirements, including but not limited to TRICARE Encounter Data (TEDS) and recoupment.
- Offerors shall describe a comprehensive security program which protects TRICARE beneficiary data according to the standards specified in this solicitation.

L.8.2.1.1.1. Offerors shall provide its current electronic claims processing metrics to include the number of clients served, the number of claims processed electronically for each of its largest 10 clients (based on the number of electronic claims processed), and its total aggregate [annual] electronic claims volume. If an offeror does not have 10 clients, information will be provided for all of its clients. Offerors shall provide the total claims processing capacity of its proposed claims processing system. Offerors shall identify any hardware /software /facility changes necessary to its electronic claims processing system to process the anticipated electronic claim volume under this contract. Offerors shall specify the magnitude of the change, including the man hours, facility additions/changes, and months required to accomplish the change, including a timeline with major milestones identified.

L.8.2.1.2. The proposal shall describe the offeror's approach to processing paper claims, including its ability to process coordination of benefit (i.e. OHI) claims, non-network claims and assignment of benefit claims.

L.8.2.1.2.1. Offerors shall describe a plan which processes anticipated volume for claims submitted by beneficiaries for direct reimbursement (DMR claims), including coordination of benefit claims, non-network claims, and assignment of benefit claims. Offerors shall specify its current annual paper claims volume as of December 31, 2012 and the staffing levels, by category in terms of Full Time Equivalents (FTE), necessary to process the anticipated DMR claim volume. Offerors shall identify any hardware/software/facility changes necessary to process the anticipated DMR claim volume under this contract. Offerors shall specify the magnitude of the change, including the man hours, facility

additions/changes, and months required to accomplish the change, including a timeline with major milestones identified.

L.8.2.1.3. Offerors shall offer and guarantee minimum standards for the four network access measurements identified in C.6.5.1. To do so, offerors shall return the actual page from the solicitation that contains C.6.5.1 with the blanks in C.6.5.1 filled in with no other information. This original page shall be included in Volume 1, Executed Offer. A copy of this page shall also be attached to the technical proposal and referenced in the technical proposal. This page is not included in the page count. In no case may the offeror's guaranteed percentage of beneficiaries within each of the three driving distance be less than 90% (i.e. driving distance of 90% of the beneficiaries). In no case may the offeror's guaranteed network size be less than 50,000 retail pharmacies. Further, any information in an offeror's proposal that is contrary to the information required by C.6.5.1. will not be evaluated.

L.8.2.1.3.1. Offerors shall describe their approach to meeting the guaranteed minimum network access standards at the start of pharmacy services, while maintaining beneficiary satisfaction.

L.8.2.1.3.2. Offerors shall calculate the access rate using estimated driving distance and a representational distribution of the beneficiary population within each zip code. Offerors shall provide a file, by National Council for Prescription Drug Programs (NCPDP) number, identifying each pharmacy in its proposed network, and whether or not each pharmacy is currently part of one or more of its contracted networks. This file shall include the pharmacy name, NCPDP number, and address (city, State, zip code). This file shall be submitted electronically in accordance with Section L.6.2. and is excluded from the 75 page limitation specified in Section L.8.1.2.

Offerors shall describe their strategy and capabilities for developing, implementing, and maintaining the required interfaces with MTFs, DEERS, PDTS, CHDR and TMDS. The description will include knowledge and experience for various transaction types, network security, testing procedures, and the level of effort required to build and maintain complex systems in both commercial and custom environments. Offerors shall specify the scope of the system changes required to support the required interfaces, including the man hours, facility additions/changes, and months required to implement, including a timeline with major milestones identified.

L.8.2.1.4. The proposal shall describe the offeror's approach to performing automated overrides, clinical reviews and administrative reviews, meeting the performance standards specified in Section C. The proposal shall describe the offeror's approach to performing utilization management, as defined in the TRICARE Policy Manual (TPM) and the TOM.

L.8.2.2. Subfactor 2 – Mail Order Pharmacy Fulfillment Services

L.8.2.2.1. Offerors shall describe its approach to providing a scalable process to meet anticipated volume at the start of pharmacy services and throughout the duration of the contract. Offerors shall describe their capabilities for supporting DoD mail utilization. The proposal shall describe the offeror's approach for providing timely and accurate mailing of prescriptions to beneficiaries, including deployed service members, meeting the performance standards specified in Section C.

L.8.2.2.1.1. Offerors shall describe its existing and proposed MOP operations. Offerors shall identify the location(s) of their existing MOP (if any), and its operational parameters, including hours of operation, mail order prescription processing volumes, staffing levels by category and FTE, and performance standards equivalent to those listed in section C. Offerors with existing MOP facilities shall provide recent performance results to key performance indicators or metrics, including those that will be measured under Section C if the offeror utilizes the same.

Offerors shall describe the degree of facility development and/or modification necessary to support the volumes anticipated under this contract. Offerors shall specify the number of shifts to be worked and the quantities to be processed in each shift. Offerors shall include a timeline specifying the milestones for any facility development and/or modification.

L.8.2.2.2. Offerors shall describe its proposed quality control program to ensure that prescription orders are filled and mailed accurately and in a timely manner. Offerors shall describe the experience, education, and training of its current and proposed quality control staff.

L.8.2.2.3. Offerors shall provide a solution for replenishment, to include specialty pharmaceuticals. Offerors shall demonstrate an understanding of the replenishment process and describe the offeror's approach to replenishment tracking and reconciliation. Offerors shall provide a solution for performing rebaseline and continuous monitoring. The proposal shall describe the offeror's approach to dispensing the lowest cost pharmaceuticals at the MOP. The proposal shall also discuss possible situations where there is insufficient replenishment from the NPV. Additional information regarding the Government's contract with the NPV is located at https://www.medical.dla.mil/Portal/PrimeVendor/PvPharm/NationalPV.aspx.

L.8.2.2.4. Offerors shall describe their concept for fulfillment of specialty pharmacy medications and clinical support services through TMOP.

L.8.2.2.4.1. For the pharmaceuticals identified in exhibit L-6, offerors shall describe the existing and proposed specialty pharmacy services offered. Offerors shall describe how it will receive orders, process orders, distribute specialty pharmaceuticals to beneficiaries, communicate with providers, communicate with beneficiaries, and educate beneficiaries in a manner that optimizes therapeutic outcomes, minimizes unnecessary and/or inappropriate usage, maximizes beneficiary compliance with prescribed drug regimens, minimizes waste, minimizes adverse clinical events, and achieves a high level of beneficiary satisfaction.

L.8.2.2.4.2. Offerors shall specify the volume of specialty pharmaceutical prescriptions filled annually. Offerors shall also describe the training of its staff and the number of FTEs by position it will employee to provide the specialty pharmacy services in support of those prescription fills.

L.8.2.3. Subfactor 3 – Comprehensive Beneficiary Services

L.8.2.3.1. Offerors shall provide a solution for comprehensive beneficiary services to include staffing and training strategies. Offerors shall include a solution for providing a beneficiary education services program that maximizes beneficiary understanding of the benefit, their approach to responding to beneficiary inquiries about any aspect of the TRICARE Pharmacy Program and their approach to offering a website including a formulary search tool that is consistent with the benefit design and maximizes the beneficiary's experience. Offerors shall provide a solution for Pharmacy Help Desk Service, including the offeror's approach to providing timely support to retail network pharmacies and MTF pharmacies. Offerors shall describe their approach to providing timely direct and indirect communications to beneficiaries on an array of issues.

L.8.2.3.1.1. Offerors shall identify its existing customer service workload and provide this information, where applicable, separately for retail and MOP services (including specialty pharmacy services): beneficiaries served, annual beneficiary call volume and average handle time, annual pharmacy help desk call volume and average handle time, annual correspondence volume and average response time (hardcopy and electronic).

L.8.2.3.1.1.1. For its three largest pharmacy benefit management accounts for which offerors provide call center services, offerors shall provide the information listed above in including its Service Level Agreements (SLA), to include at a minimum: average speed of answer, blocked call rate, abandoned call rate, and initial call resolution rate. Offerors shall provide this information, where applicable, separately for retail beneficiary call center and retail pharmacy help desk, and MOP. Offerors shall also provide its actual performance for each SLA listed. Offerors shall provide these data for any contracted call centers the offeror proposes to use to fulfill the requirements of this solicitation.

L.8.2.3.1.1.2. Offerors shall separately specify, for its beneficiary and pharmacy help desk, its proposed staffing (FTE) levels, by position, identifying the number of FTEs to answer telephone calls and the number of FTEs to respond to correspondence. Offerors shall provide this staffing information for retail and MOP operations. Offerors shall describe its proposed monitoring program to determine scheduling and staffing (FTE) levels.

L.8.2.3.1.1.3. Offerors shall describe the call and personnel capacities of its current systems and facilities. The offeror shall detail any modifications required to its existing or proposed facility, or facilities to support the projected beneficiary/pharmacy call center volume(s). Offerors shall include a timeline specifying the milestones for facility development and/or modification.

L.8.2.4. Subfactor 4 - Management Controls and Oversight

L.8.2.4.1. The proposal shall describe the offeror's approach to providing support for the management of the TRICARE pharmacy benefit in a proactive, collaborative manner. The proposal shall describe the offeror's management approach, organizational structure, solution to quality management and approach to evaluating its internal continuous improvement efforts. The proposal shall describe the offeror's approach to ensuring the integrity of the pharmacy benefit program, including audit support. The proposal shall describe the offeror's proposed approach to minimizing unnecessary or inappropriate use of pharmaceuticals. Offerors shall describe how their management, organizational, and quality management approaches facilitate efficient Government oversight.

L.8.2.4.2. Offerors shall provide pharmacy benefit management support that will enhance the Government's ability to provide a comprehensive, integrated and cost effective pharmacy benefit.

L.9. VOLUME III, Past Performance Information

L.9.1. Offerors shall submit a summary narrative, not to exceed 15 pages, describing past performance as a prime Contractor and that of its critical subcontractors in providing pharmacy benefit management services. At a minimum offerors should address past performance in providing services similar to subfactors 1 - 4 listed under the technical factor However, this narrative will be limited to ongoing / concluded contracts performed during the past three years (as counted from 60 days prior to the proposal due date). In addition the narrative will also address the start-up and integration efforts associated with the cited contract(s), even if start-up occurred earlier than the three year period. The narrative should also address any negative performance issues experienced during its major commercial and Government contracts. Any part of the narrative that exceeds the 15 page limit will not be considered.

L.9.1.1. For the purposes of submitting past performance information, the "Prime Contractor" may be an individual company or an entity that is a consortium of entities. A critical subcontractor is a company with a direct contractual relationship with the offeror that performs claims processing, call center, MOP,

specialty pharmacy, clinical review services, network management, or beneficiary / pharmacy help desk functions.

L.9.1.2. Many companies have acquired, been acquired by, or otherwise merged with other companies; and/or reorganized their divisions, business groups, or subsidiaries. If an offeror provides past performance information about services rendered by a predecessor / parent company; offerors must identify within its 15 page narrative all such changes in its organization. Offerors shall describe how the past performance efforts of their predecessor / parent firms is relevant; and the amount of involvement that its parent organizations would have in its day to day operations.

L.9.1.3. If the offeror lacks a history of past performance, an offeror may choose to present the past performance of its key personnel and key partners. In this document the offerors shall identify the role(s) and relative amount of past performance for each of the key personnel and key partners listed. At a minimum this information should address past performance relating to subfactors 1 - 4 listed under the technical factor. Past performance shall only reflect experience during the past three years. Resumes do not constitute past performance.

L.9.1.4. In addition to its narrative, if the offeror has been terminated for default, or for cause, any time during the past three years, offerors shall submit documentation detailing the reason(s) for the termination(s). The documentation shall identify the customer, its address, the cognizant contracting official, and his/her telephone number. For any contract terminated for default or cause, offerors shall identify actions that it has taken to prevent similar failures from reoccurring. This documentation will not count against the 15 page limit set for the narrative. This same requirement applies to any critical subcontractors.

L.9.1.5. Also in addition to its narrative offerors shall submit copies of any official reviews / investigations / findings, reports, sanctions, admonishments, restrictions, or other negative written material received during the past three years in its role as the prime Contractor; or that have been received by its critical subcontractors. Such documentation will not count against the 15 page limit set for the narrative.

L.9.2. Major Commercial Clients. In addition to its maximum 15 page narrative described above, offerors shall submit a description for each of its five (5) largest commercial clients, measured by total prescriptions processed, for itself and / or its critical subcontractors. Should an offeror, or a critical subcontractor, not perform prescription processing for any commercial clients, offerors may submit a description of its five(5) largest commercial clients, measured by total number of beneficiaries, for that offeror or its critical subcontractors. This description shall not exceed three (3) pages. For each client, offerors shall identify the customer, the functions performed under the cited contract, performance period, number of beneficiaries, dollar value of the contract (specifying administrative versus pharmaceutical dollars), and the number of prescriptions and claims (electronic and paper, reported separately) processed annually. Offerors shall also identify key contract requirements, including but not limited to, retail pharmacy network access, claims processing, MOP metrics, specialty pharmacy metrics, clinical review functions, and beneficiary and pharmacy help desk services. Offerors shall specify the contract standard(s) and the performance achieved for each. Offerors shall describe any problems encountered during the performance of a contract; identifying corrective measures taken, and the effectiveness of the corrective action implemented. Offerors shall clearly identify the management actions employed in resolving problems and the effects of those actions, in terms of the improvement achieved or problems rectified (i.e., submittal of quality performance indicators or other management indicators).

L.9.2.1. If the offeror, or its critical subcontractor(s) were formed solely for the purpose of proposing on this solicitation and the parent corporation has relevant past performance, offerors may submit

information (same as required by L.9.2) describing each of the five (5) largest commercial contracts / agreements performed by its parent organizations.

L.9.3. Major Government Clients. Offerors and each of its major/critical subcontractors shall submit a description for each of its five largest federal and/or state Government contracts measured by total prescriptions processed, for itself and / or its critical subcontractors. Should an offeror, or a critical subcontractor, not perform prescription processing for any federal and/or state Government clients, offerors may submit a description of its five(5) largest federal and/or state Government contracts, measured by total number of beneficiaries, for that offeror or its critical subcontractors. Offerors shall submit the same information required in L.9.2 for each Government contract. This description shall not exceed three pages. Offerors shall provide a verified point of contact for each contract (name, title, address, phone number) that will be available to discuss the offeror's performance with the Government.

L.9.4. Use of Past Performance Questionnaire, Exhibit L-3. Offerors shall submit completed questionnaires for its major commercial, state and in some instances federal Government contracts (identified above) as a part of Volume III, Past Performance Proposal. Any questionnaires submitted must include the signature, name and title of the person who completed it.

L.9.4.1. Commercial Clients. It is the offeror's responsibility to have the questionnaire completed by the cognizant officer responsible for each of the five commercial contracts identified above. Offerors will clearly indicate on the past performance questionnaire (in Contract Summary) if the major commercial client is one of its own subsidiaries, subcontractors, or consortium team members.

L.9.4.2. Federal Government Clients. Offerors shall not submit a questionnaire for any federal Government contract for which a record of their past performance information is already located in the Contractor Performance Assessment Reporting System (CPARS), or the Past Performance Information Retrieval System (PPIRS). However, Offerors shall submit a questionnaire for any major Government contract (identified above) where no CPARS / PPIRS record is available; but it must be completed by the Contracting Officer, Contracting Officer Representative (COR), or program manager.

L.9.4.3. State Government Clients. Offerors shall submit a questionnaire for each of its state Government contracts. It is the offeror's responsibility to have the questionnaire completed by the state official assigned oversight of that contract.

L.9.5. Small Business Subcontracting. Offerors shall submit a record of its compliance with FAR 52.219-8 Utilization of Small Business concerns and FAR 52.219-9, Small Business Subcontracting Plan including past Individual Subcontract Reports and Summary Subcontract Reports, past compliance records regarding monetary targets for Small Disadvantaged Business Participation Program expressed in terms of dollars, if applicable, and all correspondence by the Contracting Officer or small business specialist regarding its compliance for the past three years on current or past Government contracts. There is no page limit applicable to this information.

L.9.6. Other Sources of Past Performance Data.

L.9.6.1. The Government may, at its option, obtain past performance data from any reasonably reliable source including, but not limited to the references listed in the proposal, other customers known to the Government, consumer protection organizations, business news sources, and sources inside or outside the Government which may have useful and relevant information.

L.9.6.2. The Government does not assume the duty to search for data to cure the problems it finds in the information provided by the offeror. The burden of providing thorough and complete past performance information remains with the offeror.

L.10. VOLUME IV, PRICE PROPOSAL.

L.10.1. Offerors shall submit a completed original Section B in Volume IV. Offerors are instructed to price the appropriate Contract Line Items (CLINs) and Sub-Contract Line Items (SLINs) listed in Section B. Offers submitted in response to this solicitation shall be in terms of U.S. dollars. Offers received in other than U.S. dollars shall be rejected. Quantities identified by the Government are estimates based on TRICARE historical data.

L.10.1.1. The priced Section B, constitutes the price proposal and offer to the Government. Retail network cost control incentive and savings on high cost medications incentive CLINs are for contract administration purposes, so offerors shall not propose prices for these CLINs. Offerors are cautioned that failure to submit a completed Section B will be regarded as an incomplete offer, and the offer will not be considered for evaluation or for contract award. For all CLINs, if there is a discrepancy between the unit price and the extended amount, the unit price will be presumed to be correct.

L.10.1.2. Adequate price competition is anticipated, so offerors are not required to provide certified cost and pricing data or information other than certified cost or pricing data. The Contracting Officer reserves the right to subsequently require additional data, including submission of certified cost and pricing data or information other than certified cost or pricing data.

L.10.1.3. The quantities for the indefinite quantity CLINS in Section B are Government estimates based on historical data and do not represent a commitment on the part of the Government that these quantities will actually occur over the course of the contract. When developing the unit prices for the indefinite quantities CLINs in Section B, offerors may make their own assessment of the projected volume for each CLIN; applying their own business judgment, knowledge of the TRICARE Pharmacy Program, assumptions of utilization, data provided by the Government, or any other data. However, offerors shall not adjust the quantities in Section B.

L.10.2. Contract Phase In. Offerors shall offer a firm-fixed-price in whole dollars and no cents. Non-recurring costs associated with establishment and testing of system interfaces to all Government systems and facilities, including PDTS, DEERS, TMDS, CHDR, TEDS, and MTFs, necessary by the start of pharmacy services may not be included in the price of any CLIN other than the Phase-In CLIN. Discrete efforts required to be performed during phase-in shall not be included in the price of any CLIN other than the Phase-In CLIN.

L.10.3. Retail Prescription Claims, (Electronic & Paper). Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by option period. The extended amount shall equal the offered unit price multiplied by the Government estimated quantity.

L.10.4. Mail Order Pharmacy, Prescription Fill. Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by option period for each CLIN (TRICARE Eligible and Medicare Dual-Eligible). The extended amount shall equal the offered unit price multiplied by the Government estimated quantity. The required services associated with specialty pharmaceuticals shall not be included in the Mail Order Pharmacy CLINs.

L.10.5. Mail Order Pharmacy, Specialty Clinical Services. Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by option period for each CLIN (TRICARE Eligible and Medicare Dual-Eligible). The extended amount shall equal the offered unit price multiplied by the Government estimated quantity.

L.10.5.1. The MOP fulfillment of specialty pharmaceuticals, and all required clinical services described at C.7.9.5 associated with specialty pharmaceuticals, may not be included in the price of any CLIN other than the Mail Order Pharmacy, Specialty Clinical Services CLINs.

L.10.6. MTF Prescription Adjudication Services. Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by option period. The extended amount shall equal the offered unit price multiplied by the Government estimated quantity. Any direct cost or effort related to MTF prescription adjudication services shall only be included in the MTF Prescription Adjudication Services CLINs. This includes performing prospective drug utilization (ProDUR), adjudication of prescriptions submitted electronically by an MTF, MTF data integrity reviews, data correction, problem resolution, help desk services in support of MTF connections.

L.10.7. Clinical Reviews. Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by option period. The extended amount shall equal the offered unit price multiplied by the Government estimated quantity.

L.10.8. Transfer Retail Prescription to Mail Order Pharmacy. Offerors shall offer a fee per unit in dollars and cents (no fractions of cents) by option period. The extended amount shall equal the offered fee per unit multiplied by the Government estimated quantity.

L.10.9. Transfer Retail Prescription to MTF. Offerors shall offer a fee per unit in dollars and cents (no fractions of cents) by option period. The extended amount shall equal the offered fee per unit multiplied by the Government estimated quantity.

L.10.10. Government Directed Mailings. Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by the base period and each option period. The extended amount shall equal the offered unit price multiplied by the Government estimated quantity.

Offerors are advised that due to the nature of directed mailings, the frequency of directed mailings, and the volume in each directed mailing, will vary depending on circumstances.

L.10.11. EOB Mailing. Offerors shall offer a fixed price per unit in dollars and cents (no fractions of cents) by option period. The extended amount shall equal the offered unit price multiplied by the Government estimated quantity.

L.10.12. Mail Order Unreplenished Agents. Offerors shall offer a firm-fixed-price in whole dollars and no cents by option period.

L.10.12.1. The offered price shall cover the offeror's anticipated cost of pharmaceuticals agents and supplies drawn from their own stocks / commercial sources, if the NPV is not able to provide replenishment. Offerors shall not include direct costs associated with this requirement under another CLIN.

L.10.13. Contract Data Requirements List (CDRL). Offerors shall offer a one lot firm-fixed-price in whole dollars and no cents for the base period and each option period. This CLIN represents the aggregate price for all CDRLs compiled from the individual CDRLs delineated on Form 1423. In

addition, offerors shall state what the estimated dollar value is for each CDRL (as it relates to the priced CDRL CLINs) attributable to the production or development of the listed data for the Government on the Block 18 of the DDForm 1423. (See Exhibit A to Section B, CDRLs).

L.10.13.1. Offerors shall not include direct costs associated with the performance of C.6.8., Benefit Analysis and Trending in any CLIN other than the CDRL CLINs.

L.10.14. Contract Phase-Out. Offerors shall propose two firm-fixed prices, each as a one-lot price, in whole dollars with no cents, for the respective phase-out activities for each respective option period. Phase-out activities are detailed in Section C; as well as TOM, Chapter 1, Section 7; and / or TOM, Chapter 23, Section 5.

L.10.14.1. Contract Phase-Out To Non-Incumbent. This amount shall include all effort and costs associated with transitioning to a new Contractor.

L.10.14.2. Contract Phase-Out To Incumbent. This amount shall include all effort and costs, if any, associated with transitioning to a follow-on contract where the current Contractor succeeds itself. Offerors are advised to consider any reduced level of effort entailed, tasks avoided or truncated; and /or ease of internal coordination compared to the necessity of dealing with a different business entity

L.10.15. Network Reimbursement

L.10.15.1. Offerors shall enter its Guaranteed Average Price Adjustment Percentage (the percentage discount or addition to the Wholesale Acquisition Cost (WAC) price basis and the AWP price basis) and its Guaranteed Average Dispensing Fee Per Prescription for pharmaceutical items dispensed from retail network pharmacies in the retail network reimbursement table provided at exhibit L-1. The Government has provided an average WAC price, estimated from WAC data published by First DataBank (FDB), and estimated AWP price, estimated from AWP data published by Medispan, for non-specialty brand name, non-specialty generic, specialty brand and specialty generic prescriptions for each option period in table L-1. Offerors shall complete the table by providing guaranteed average price adjustment percentage for both the WAC and AWP, and guaranteed average dispensing fees for each prescription category for each option period. Offerors shall prepare the table in exhibit L-1 in accordance with the instructions provided at exhibit L-12, Instructions and Notes for Completing Retail Network Reimbursement Table L-1. Offerors shall submit only one completed table L-1. Table L-1 constitutes the "Offer" to the Government for the "Guaranteed Average Price Adjustment Percentage" and "Guaranteed Average Dispensing Fee" for retail network prescriptions in accordance with Section H.1. In the event of award, contract Section H, table H-1 will be completed by the Contracting Officer to reflect the offer at table L-1.

L.10.15.2. Offerors are cautioned that failure to submit a completed table L-1 will result in an incomplete offer, and the offer will no longer be considered for evaluation or contract award.

L.11. Small Business Participation (Evaluation Factor 4).

L.11.1. Offerors designated as large businesses shall include in Volume I a subcontracting plan as required by FAR 19.702, FAR 19.704, FAR 52.219-8, Utilization of Small Business Concerns, FAR 52.219-9, Small Business Subcontracting Plan, and DFARS 252.219-7003, Small Business Sub-contracting Plan (DoD Contracts). Offerors shall identify the firm(s) they intend to employ and the type of work these firm(s) will perform. Additionally, offerors are advised that in accordance with 10 U.S. Code 2410d, Contractors may use the services and/or products of non-profit agencies in the AbilityOne program (National Industry for the Blind/National Industry for Severely Handicapped) in meeting their small business subcontracting goals.

L.12. Exhibits:

L-1 Retail Network Reimbursement Table

L-2 Guaranty Agreement for Corporate Guarantor (Guarantee Agreement)

L-3 Past Performance Questionnaire

L-4 DoD Benefit Design

L-5 DoD Formulary Restrictions and Limitations

L-6 Draft DoD Specialty Clinical Drug Services List

L-7 Draft High Cost Medication List

L-8 Draft TRICARE for Life (TFL) Mandatory Mail Drug List

L-9 Draft Quality Assurance Surveillance Plan (QASP)

L-10 List of Historical Data and Other Information Available to the Offerors

L-11 Instructions to Order "Confidential and Protected Information"

L-12 Instructions for Completing Retail Network Reimbursement, Table L-1

L-13 Background Information for Retail Network Reimbursement, Table L-1

L-14 DRAFT DoD Pharmacy Prospective Drug Utilization Review Parameters

(End of Section L)

52.217-5 Evaluation of Options (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

(End of Provision)

M.1. Basis of Evaluation

M.1.1. General. This is a competitive source selection and will be conducted in accordance with the Federal Acquisition Regulation (FAR) and applicable supplements. The Government has established a Source Selection Evaluation Board (SSEB) to evaluate proposals submitted in response to this Request for Proposal (RFP). Proposals will be evaluated by the SSEB using the evaluation factors and subfactors identified below. The source selected from this process will be the proposal representing the best value to the Government as determined by the Source Selection Authority (SSA).

The Government anticipates award of a single contract to the responsible offeror whose proposal represents the best value to the Government. The Government may make trade-offs when determining which offer constitutes the best value to the Government. This trade-off process may result in an award to other than the lowest-priced offer.

M.2. Evaluation Factors and Relative Values

M.2.1. The Government shall evaluate each proposal against the following factors and subfactors. Each proposal will be evaluated separately and will be evaluated solely on its own merits.

Factor 1 - Technical
- Subfactor 1 - Pharmacy Benefit Management Services
- Subfactor 2 - Mail Order Pharmacy Fulfillment Services
- Subfactor 3 - Comprehensive Beneficiary Services
- Subfactor 4 - Management Controls and Oversight

Factor 2 - Past Performance
Factor 3 - Price
Factor 4 - Small Business Participation

M.2.2. Price is the most important individual factor. For purposes of this procurement, the technical factor and the past performance factor are the non-price factors and they are of equal importance. When non-price factors are combined, they are approximately equal but somewhat greater than price.

M.2.3. Within the technical factor, all subfactors are of equal importance.

M.2.4. The small business participation factor is to be rated as acceptable or unacceptable. If the small business participation factor is rated as unacceptable, the proposal is unawardable.

M.3. Factor 1 – Technical.

M.3.1. The Government will evaluate each of the four subfactors under the technical factor to determine a separate technical rating and technical risk rating for each subfactor. Subfactor ratings will not be rolled up into an overall rating for the technical factor. The technical ratings and technical risk ratings will be considered in determining the best value to the Government.

M.3.1.1. The technical rating evaluates the quality of the offeror's technical solution to meeting the Government requirements. In reviewing the technical proposal, the Government will review the offeror's compliance with the solicitation and whether the offeror demonstrates that it understands the requirements and whether the offeror demonstrates a sound approach, procedures, methods and delivery of services to accomplish the requirements. The Government will consider whether an aspect of an offeror's proposal that has merit or exceeds specified requirements that would be advantageous to the Government or beneficiaries during contract performance. If such an aspect of the proposal is found to be advantageous, the Government may assess it to be a strength. If the Government deems part of the proposal to be a strength, the strength will be credited to only one subfactor. The Government will have the sole discretion in determining to which subfactor a strength best fits.

M.3.1.2. The offeror's technical solution will be rated separately from the risk associated with its technical approach. Technical ratings and technical risk ratings will be assigned as described in table 1 and table 2 as follows.

Table 1. Technical Ratings

Color	Rating	Description
Blue	Outstanding	Proposal meets requirements and indicates an exceptional approach and understanding of the requirements. The proposal contains multiple strengths and no deficiencies.
Purple	Good	Proposal meets requirements and indicates a thorough approach and understanding of the requirements. Proposal contains at least one strength and no deficiencies.
Green	Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements. Proposal has no strengths or deficiencies.
Yellow	Marginal	Proposal does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements.
Red	Unacceptable	Proposal does not meet requirements and contains one or more deficiencies and is unawardable.

Table 2. Technical Risk Ratings	
Rating	Description
Low	Has little potential to cause disruption of schedule, increased cost or degradation of performance. Normal contractor effort and normal Government monitoring will likely be able to overcome any difficulties.
Moderate	Can potentially cause disruption of schedule, increased cost or degradation of performance. Special contractor emphasis and close Government monitoring will likely be able to overcome difficulties.
High	Is likely to cause significant disruption of schedule, increased cost or degradation of performance. Is unlikely to overcome any difficulties, even with special contractor emphasis and close Government monitoring.

M.3.1.3. The following definitions will apply when assigning technical ratings:

- **Strength** - An aspect of an offeror's proposal that has merit or exceeds specified performance or capability requirements in a way that would be advantageous to the Government or beneficiaries during contract performance.
- **Weakness -** A flaw in the proposal that increases the risk of unsuccessful contract performance. See FAR 15.001.
- **Significant Weakness -** A flaw in the proposal that appreciably increases the risk of unsuccessful contract performance. See FAR 15.001.
- **Deficiency** - A material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level. See FAR 15.001.

M.3.2. Subfactor 1 – Pharmacy Benefit Management Services.

M.3.2.1. The offeror's proposal will be evaluated on its approach for accepting and processing claims submitted by network retail pharmacies, the TRICARE mail order pharmacy, MTF pharmacies, or by beneficiaries for direct reimbursement.

- The offeror's proposal will be evaluated on its approach to performing 24x7 electronic claims adjudication according to the Government's specified benefit design and approach to meeting the minimum claim processing requirements. The offeror's proposed workflow demonstrates an understanding of commercial PBM practices, including prospective DUR and support for e-prescribing. The workflow demonstrates flexibility to accommodate the unique Government requirements that depart from commercial standards and practices, including external eligibility query and catastrophic cap data, as well as the ability to implement benefit changes on a timely basis.
- The offeror's proposal will be evaluated based on its understanding and proposed approach to serving as a financial intermediary and approach to TEDs and recoupment.
- The offeror's proposal will be evaluated on the offeror's understanding of, and approach to, a comprehensive security program which meets the requirements in the statement of work, including information assurance protocols and the protection of PHI/PII.

M.3.2.2. The offeror's proposal will be evaluated on its ability to support a scalable approach for processing paper claims, electronic claims, coordination of benefits, non-network claims, batch claims, OHI development, and assignment of benefit claims. The offeror's proposal will be evaluated on its approach to providing a scalable, quality-driven process to meet anticipated paper claim volume at go-live and throughout the duration of the contract.

M.3.2.3. The offeror's proposal will be evaluated on its approach to providing pharmacies that meet network access standards at start of pharmacy services and how it contributes to beneficiary satisfaction at a size no less than 50,000.

M.3.2.4. The offeror's proposal will be evaluated on its strategy to execute the required interfaces (including MTFs, DEERS, PDTS, CHDR and TMDS) and documented knowledge and experience in complex commercial and custom environments.

M.3.2.5. The offeror's proposal will be evaluated on its approach to processing clinical reviews, automated overrides, administrative reviews approach to performing utilization management according to the Government's benefit design, formulary structure, and manual requirements to promote beneficiary safety while providing tools and support to facilitate efficient Government oversight.

M.3.3. Subfactor 2 – Mail Order Pharmacy Fulfillment Services.

M.3.3.1. The offeror's proposal will be evaluated on its approach to providing a scalable process to meet anticipated volume at the start of pharmacy services and throughout the duration of the contract.

M.3.3.2. The offeror's proposal will be evaluated on its understanding and approach to execute the adjudicating, fulfillment and delivery of prescriptions to beneficiaries, including deployed service members, meeting the performance standards specified in Section C to include the offeror's quality control program and the offeror's existing and proposed mail order pharmacy operations.

M.3.3.3. The offeror's proposal will be evaluated on its approach providing a solution for replenishment that reflects an understanding of the replenishment process and offers adequate tracking and reconciliation. Offerors shall provide a solution for performing re-baseline and continuous monitoring to dispense the lowest cost pharmaceuticals at the mail order pharmacy.

M.3.3.4. The Government will evaluate the offeror's approach to implement the DoD specialty pharmacy and associated clinical services in a manner that promotes positive beneficiary outcomes and maximizes cost savings to the Government.

M.3.4. Subfactor 3 – Comprehensive Beneficiary Services.

M.3.4.1. The offeror's proposal will be evaluated on its approach to provide comprehensive beneficiary services. The offeror's proposed beneficiary education program will be evaluated on its ability to maximize beneficiary understanding of the benefit in response to beneficiary inquiries about any aspect of the TRICARE Pharmacy Program and provide all responses in a complete, accurate, and timely manner. The offeror proposal will be evaluated on its approach to providing a pharmacy help desk service for providing courteous, prompt, and efficient support to retail network pharmacies and MTF pharmacies, including staffing and training strategies.

M.3.4.2. The offeror's proposal will be evaluated on its approach to providing timely direct and indirect communications to beneficiaries on an array of issues, including its incorporation of current and emerging technologies such as mobile access and social media in its communication and outreach to beneficiaries.

M.3.5. Subfactor 4 – Management Controls and Oversight.

M.3.5.1. The offeror's proposal will be evaluated on the offeror's management approach, organizational structure, solution to quality management and approach to evaluating their internal continuous improvement efforts, while providing tools and support to facilitate efficient Government oversight.

M.3.5.2. The offeror's proposal will be evaluated on the offeror's approach to providing support for the management of the TRICARE pharmacy benefit in a proactive, collaborative manner to maximize the quality, cost-effectiveness and clinical outcomes of the comprehensive pharmacy benefit, which includes innovative ideas based on current and emerging therapies and pharmacy benefit management practices.

M.3.6. Factor 2 - Past Performance.

M.3.6.1. The Government will evaluate past performance information provided in accordance with Section L, and other sources, to determine how well an offeror has performed in the past on recent relevant work. The Government will only consider relevant past performance information for ongoing contracts and contracts concluded within the last three years. For contracts performed in, or concluded in the past three years, the Government will consider the entire period of performance of the contract, including any contract phase-in and phase-out periods. The evaluation of past performance information will result in an assessment of the offeror's probability of meeting the solicitation requirements. A single performance confidence assessment rating will be assigned for each offeror after evaluating their past performance.

M.3.6.2. The Government will first assess each offeror's, or critical subcontractor's contracts to determine how relevant an effort accomplished by the offeror is to the performance of the requirement as described in this solicitation, regarding the scope, including similarity of services, complexity, and magnitude, including size/dollar value.

M.3.6.3. The Government will assign one of the following relevancy ratings to each identified contract.

Relevancy Rating	**Relevancy Definition**
Very Relevant	Present/past performance effort involved essentially the same scope and magnitude of effort and complexities this solicitation requires.
Relevant	Present/past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
Somewhat Relevant	Present/Past performance effort involved some of the scope and magnitude of effort and complexities that this solicitation requires.
Not Relevant	Present/Past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

M.3.6.4. Once a relevancy rating has been determined, the Government will review all available information to determine the quality of performance for each of the contracts. If an individual contract has been assessed as "not relevant", no performance review will be conducted. The Government will note any positive and/or negative findings during the review. If any negative findings are identified during the review in which the offeror has not had the opportunity to provide comments, the Government will notify the offeror of the findings and allow the offeror the option to provide comments on these negative findings.

M.3.6.5. The Government will then assess a performance confidence rating relative to the offeror's ability to successfully perform the requirements of this solicitation. Past performance history rated as "not relevant" will not be considered for the purpose of determining the performance confidence rating. The information provided by the offeror per Section L of this solicitation will be considered. The Government may utilize information obtained from the clients listed in the proposal, other customers known to the Government, Past Performance Information Retrieval System (PPIRS), Federal Awardee Performance and Integrity Information System (FAPIIS), CPARS, Electronic Subcontract Reporting System (eSRS),

public sources, and other sources that may have useful and relevant information. The Government may also utilize its own internal records and sources.

The Government will consider the offeror's past performance in compliance with clause FAR 52.219-8, Utilization of Small Business Concerns; clause FAR 52.219-9, Small Business Subcontracting Plan, including all subcontracting goals; and any contract monetary targets for the Small Disadvantaged Business Participation Program, if any. The Government may analyze information provided by the offeror, information available within the Government, or information from other sources.

M.3.6.6. If an offeror has no past performance history relevant to providing the services required by the solicitation, the offeror's performance confidence rating will be neutral and will not be evaluated favorably or unfavorably. This rating is neither negative nor positive. Neutral is merely indicative of a lack of prior performance in providing the service required by this solicitation. If an offeror with no relevant past performance submits relevant past performance information from a predecessor company, parent organization, consortium member, key personnel or subcontractors, this information will be considered in rendering a performance confidence rating. This rating will be based on the relevance to providing the services required by this solicitation, and the amount of involvement the parent organization or consortium member will have in the operations of the offeror. When an offeror submits past performance information on its key personnel as stated in Section L, the Government will evaluate the key personnel information and then determine to what extent, if any, it will affect the performance confidence rating. This rating will be based on considerations such as the employee's role in the company, the nature and quality of the services delivered, and the relevant amount of past performance the employee had related to providing the service required by this solicitation. Regardless of whether the past performance data relates to a parent organization, consortium member, or an employee or group of employees, the Government may still render a performance confidence level of neutral if adequate, convincing and relevant past performance information is not available.

M.3.6.7. The Government will assign to the offeror one of the following overall performance confidence ratings:

Performance Confidence Rating	**Performance Confidence Definition**
Substantial Confidence	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
Satisfactory Confidence	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
Limited Confidence	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort.
No Confidence	Based on the offeror's recent/relevant performance record, the Government has no expectation that the offeror will be able to successfully perform the required effort.
Unknown Confidence (Neutral)	No recent/relevant performance record is available or the offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned.

M.3.7. Factor 3 – Price.

M.3.7.1. Total evaluated price: The total evaluated price will consist of the sum of all extended Contract Line Items Numbers (CLINs) in Section B except for the Retail Network Cost Control Incentive CLINs and Incentive for Savings on High Cost Medications CLINs, plus the total expected Government cost for reimbursement of retail network pharmacy costs from the table at exhibit L-1(g). The Government will perform price analysis by comparing competing prices per FAR 15.404-1(b)(2)(i). If necessary, the Government may utilize other price analysis or cost analysis techniques prescribed in FAR Part 15 utilizing information available to the Government or obtained from the offeror (when requested).

The total evaluated price will include consideration of FAR 52.217-8, Option to Extend Services. The Government will multiply the offered unit price of CLINs 7001-7009, 7011-7014 and 7018-7021 by one-half of the estimated quantity of each respective CLIN, and then add that extended amount to the total evaluated price. The Government will also add one-half of the offered lot price of CLINs 7010 and 7015, and one-half of the total expected Government cost for reimbursement of retail network pharmacy costs from the table at exhibit L-1(g) for option year 7 to the total evaluated price.

Because contract phase-out occurs once during the life of a contract, only one set of CLIN prices for phase-out will be counted in the calculation of total evaluated price. The Government will add the Contract Phase-Out, Non-Incumbent CLIN and the Contract Phase-Out, Incumbent CLIN for each option period together and only the highest combined price will be included in the total evaluated price.

M.3.7.2. Reasonableness: The Government anticipates adequate price competition to establish price reasonableness per FAR 15.403-1(c)(1). Since price is the most important individual factor in the source selection, unless the price of the otherwise successful offeror is found to be unreasonable or unbalanced, award will be made at the offered prices.

M.3.7.3. Unbalanced pricing: The offer's proposal will be reviewed for unbalanced pricing per FAR 15.404-1(g).

M.3.8. Factor 4 – Small Business Participation.

The Government will evaluate the subcontracting plan and participation of small businesses on an acceptable/unacceptable basis. An acceptable plan materially meets the minimum requirements. An unacceptable plan does not materially meet the minimum requirements. The Contracting Officer will review the subcontracting plan submitted under Volume I for the submission requirements identified under FAR 19.702, Statutory requirements; FAR 19.704, Subcontracting plan requirements; FAR 52.219-8 Utilization of Small Business Concerns, FAR 52.219-9 Small Business Subcontracting Plan, and FARS 252.219-7003, Small Business Subcontracting Plan (DoD Contracts).

M.3.8.1. The Government will assess how the offeror's proposed subcontracting goals compare with the subcontracting goals identified below. If the offeror does not propose the subcontracting goals below, the Government will assess how well the offeror describes how and why their proposed goals are set at levels that are realistic and that the parties can reasonably expect. The Government will assess the extent the offeror identifies businesses in the Plan and demonstrated good faith efforts or plans to meet the below goals using small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business (which includes historically black colleges and minority institutions in its goal), and women-owned small business subcontractors to the maximum practicable. The subcontracting goals are as follows:

- Small Business Subcontracting: 36.7%
- Women-Owned Small Businesses (WOSB): 5%
- Small Disadvantaged Businesses (SDB): 5%
- Service-Disabled Veteran-Owned Small Businesses (SDVOSB): 3%
- Historically Underutilized Business Zone (HUBZone) Small Businesses: 3%
- Non-profit agencies in the AbilityOne program (National Industry for the Blind/National Industry for Severely Handicapped): 1%

(End of Section M)